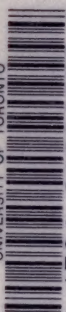


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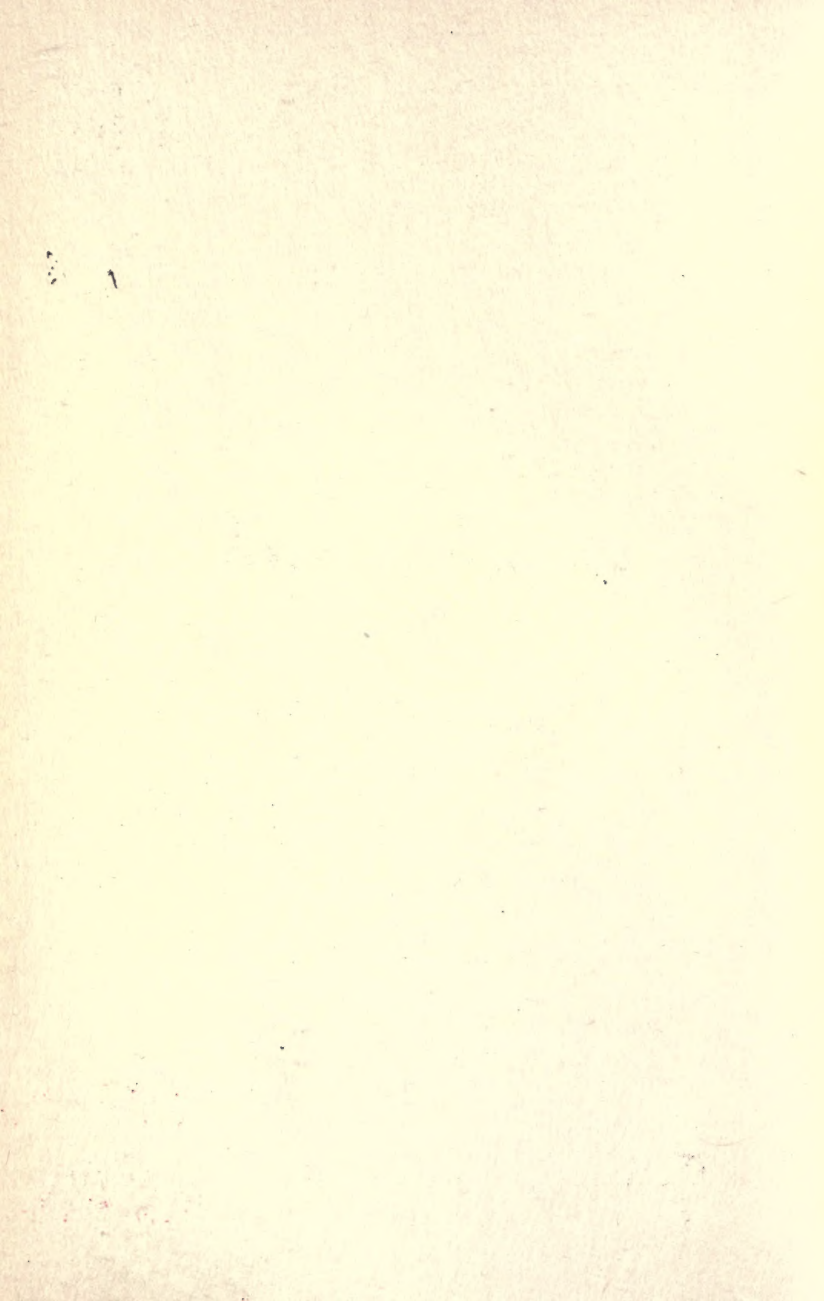
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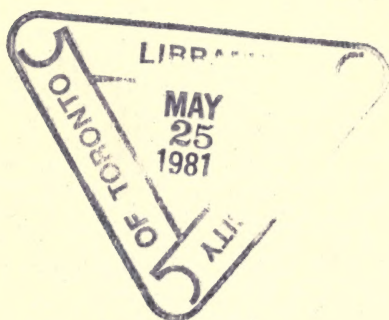
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PROBLEMS OF READJUSTMENT AFTER THE WAR

I

THE WAR AND DEMOCRACY

ALBERT BUSHNELL HART

"The proof of democracy," says an American sage, "is, does it democ?" Just now that question comes home to all civilized mankind. Up to the twenty-third of July, 1914, every significant nation in the world from Montenegro to British Columbia had at least the appearance of the admission of the people to a share in their own government. Democracy was considered the ripest flower of the highest civilization. Out of the nine great powers of the world, three—the United States, France, and China—were republics in form; and in each of the other six—Great Britain, Germany, Austro-Hungary,

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Russia, Italy, and Japan—the representatives of the people had established their right to share the government with the personal sovereign.

Today seven of those nine powers are plunged into the heat of the fray; and in every one democracy seems, for the time being, submerged. In not one of those countries are the people or their representatives now legislating for the crisis or keeping the ministerial executives in control by questions and criticisms upon military affairs. Nor does it appear that the people at large or the voters in any country resent this exclusion from a part in the great decisions that are being made. We hear vaguely of bread riots; but the only constitutional crisis that has come about in the eight months of the war has been the change of foreign minister in Austro-Hungary from an Austrian to an Hungarian. In England a few criticisms of the government are made in the public press; most of which are received by the public as disloyal utterances; none appears in Germany except a rare complaint by Socialist members of the Reichstag. There is no public opinion—or rather public opinion compels every one not only to support the war but to support it

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with vehemence. Unhappy subjects of hostile countries are treated all over Europe as though they were escaped convicts.

In the strongly monarchical countries of Russia, Germany and Austro-Hungary the authority was naturally retained by the emperor and his immediate group of councilors and officers. In all three countries the army and navy are closely centralized, and parliaments have never had much to do with them except to vote upon the terms of service and the money credits. It is only about a year and a half since the German Reichstag by a vote of 293 to 54, expressed its discontent at the ill-treatment of the civilians of Zabern by military officers; nevertheless, Chancellor Bethmann-Hollweg refused to resign and allowed the officers to be acquitted by court-martial. In France and England the legislative bodies have for many years been accustomed to take a lively part in government while war was going on. Not even in the Boer War of 1899-1900, nor in the serious likelihood of wars involving France in 1905 and 1911, did those bodies abdicate their functions. They have done so now. For when the representatives of the people are silent, the necessary decisions are not postponed, they are simply made by

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the executive. In this war the civil authorities have either given *carte blanche* to the military or have accepted and carried out their will.

Is this the end of European democracy? Will example and military pressure cause the end of American democracy? Are the people of the world giving over their destinies to the judgment of a handful of statesmen and warriors, practically designated by themselves? Have the peoples as a whole no wisdom left? Is there a difference in the makeup of the human mind between times of war and times of peace? Or when the cyclone is past, will the owners of the various ships of state again claim their right to their own property? These critical questions come home with peculiar force to the people of the United States; for popular government in America depends upon the power of democracy to repel the shock of militarism.

One reason for the atrophy of parliaments is that in every belligerent country the people accepted the war when it broke out, took it up, made it their own, and are carrying it on as a national duty. In every country the thinking people as well as the unthinking were convinced

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that their country had been unjustly and maliciously attacked and would be destroyed unless the population rallied to the support of the government. The way for this conviction was prepared by a long propaganda in newspapers, periodicals, and books, especially in Germany, Great Britain, and France. For more than ten years, writers in all three countries have tried to arouse their countrymen to a belief that they were in imminent danger of invasion by implacable enemies.

For example, in 1897 an English admiral in the *Fortnightly Review* declared that "if Germany were extinguished tomorrow, there is not an Englishman in the world who would not be richer." In 1912 Bernhardi's book stated more clearly than previous writers the aspirations and dangers of Germany and demanded for her "world-power or downfall." Cartoons, pamphlets, and elaborate books have set forth the grievances of various countries and have suggested methods of carrying on "the next war." In Eastern Europe a campaign of hate has been going on ever since the Turkish Revolution of 1908. The Austrians and the Hungarians had been gradually accumulating a reservoir of wrath against the Servians, because of their

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manifest hope to split off the Serb provinces from Austro-Hungary. The Russians have been nursing resentment ever since 1908, when they had not the military strength to resist the annexation of Bosnia and Herzegovina by Austria.

In the French school geographies, Alsace-Lorraine has for years been shown in a different color from the rest of Germany. Treitschke long ago taught his countrymen that "England is today the shameless representative of barbarism in international law." Before the war broke out thousands of respectable people who could not bring themselves to believe unproved evil of their own friends and neighbors, the people whom they knew best, were convinced that unknown Englishmen and Englishwomen, Russians, Germans or Servians, were sodden with crime and thirsting for other people's blood.

All this in spite of decades of efforts to bring people into a better understanding with each other, and a conscious effort to found a kind of world democracy of men of science, letters, and business. Students have traveled from country to country; fellowships have been founded for foreigners; professors have been

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exchanged; addresses delivered by men from other countries. There has been an era of world-congresses of physicians, of historians, of electricians, of engineers. Considerable groups of business men have traveled about to make themselves acquainted with the spirit of foreign countries. When the crisis came, of course every man adhered to his own country: one cannot serve two masters. Was it also necessary for every man to deny his own experience of the character, courtesy, and high-mindedness of his foreign friends? Philosophic Eucken rolls under his tongue as a sweet morsel a denunciation of "Servian accessories to murder, Russian lust for conquest, English perfidiousness, and at last, Japanese scoundrelism, all united." On the other side the Catholic Archbishop of Glasgow declares the war to be, "Christianity against paganism, the Cross and its civilization against the crescent and its barbarism; against the even worse—because deliberate and calculated—barbarism of the War Lord."

It is a fair question whether most of these good people who enjoy bad language would not have been just as sure of the greatness of their respective nations and the wisdom of

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their leaders if they had been told that all the monarchs and all the ministers were convinced that there was no sufficient cause for war. The trouble in such crises is that it is impossible for the people to form a judgment as to the danger, because they have not the facts. They must rely on somebody to judge of the crisis as a whole. In the United States we should expect the Senators and Representatives of the national Congress in such a crisis to be the people's eyes and lips. Congress might be more belligerent than the President, as it was at the beginning of the Spanish War in 1898; but Congress then believed that its constituents expected the action they took, and that was why only one member of the House ventured to suggest even a brief delay. Let the name of Boutelle of Maine be remembered as that of a brave and honest man who wished at least to give public opinion an opportunity to form.

When the pinch came in Europe not a single one of the national legislatures, based on popular representation, did its duty. The facts are obvious and dangerous. At the time the war broke out four of these bodies were actually in session or could be immediately summoned.

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The Parliament of Great Britain, the Reichstag of Germany, the Senate and Chambre of France, and the Russian Duma were in existence, filled with national concern, ready to give their wisdom toward the great decisions that had to be made. Not one of them was consulted till after war had actually broken out. Sir Edward Grey's first definite statement to Parliament was on the third of August, a day after he had committed his nation to the protection of the French coast. The Reichstag was consulted on August 4 when Germany was already at war both with Russia and with France. Premier Viviani made an imperfect statement to the Chambre on August 3 and not till August 5 did he fully explain the situation. The Russian Duma was called in special session August 8, seven days after war had broken out with Germany. The Japanese Diet was in session and acquiesced in the war; but when later it would not vote the military measures which the Prime Minister thought necessary it was dissolved and a new election ordered. In Austro-Hungary there is no federal parliament; but neither the Austrian nor Hungarian parliament was consulted either as to the ultimatum sent to Servia July 23, or on the attitude of the Im-

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perial Government toward the various propositions for mediation or toward a direct understanding with Russia.

When summoned, every parliament practically abdicated; and probably would not have been allowed to remain in session if it had not been expected to abdicate. Representative democracy in Europe seems almost to have disappeared for the time being. In not one of those countries are the people through their representatives now legislating for their extraordinary needs, or keeping track of the manner in which their affairs are carried out by ministerial executives. Only in London are questions put which might imply a lack of confidence in any military man or action. All the parliaments vote prodigious measures without assuming the right to alter a hair's breadth. The British Parliament strove for nearly two centuries to acquire control over the purse; and is now ready to vote a thousand million dollars in a paragraph without so much as a suggestion as to the destination and use of the money. Enough that it is to be spent by the military men in carrying on the war. The German Diet voted the supply asked for by the government with only one negative vote. Numerous stat-

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utes solemnly enacted after long and careful discussion by the legislative authority are now superseded or ignored by votes of the Bundesrath in Germany, or by Orders in Council issued by the British Ministry under a general authority from Parliament. That conquered provinces should be governed by military commanders who levy contributions, assess fines on the cities, and exercise the power of life and death, is not remarkable. So much was done in the Philippines by the American military authorities. It is, however, an amazing spectacle to see the interior of lands which have hardly as yet seen an enemy—England, Scotland, Ireland, Brandenburg, Bavaria, and Southern France—practically governed by martial law.

One of the triumphs and protections of democratic government is the liberty of the press. It has been won by sheer determination in the teeth of the fundamental belief of despotic and dull governments that it is hurtful to them to have people discuss what is going on. In Russia there is still a pig-headed censor system in times of peace, with its blacking-brush obliteration of what the censor does not like. Yet even there, since the establishment of the Duma,

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there has been an approach to common-sense. In Austria and Germany the journalists have been more or less tied up by official deposits of money which can be drawn upon in case of fines or verdicts against them. They have even had the droll institution of the "jail editor"! Every journal has been required to file the name of its responsible editor; in many cases he is a man whose sole "responsibility" is to take his sentence and go to jail whenever his paper has been too bold. In France there was a reckless freedom of the press, restrained by occasional shootings. Germany has for years had, alongside many free and fearless newspapers, the institution of the reptile press, which crawls at the feet of the government functionaries who feed it with official information and subsidies. Nevertheless editors and journalists like Maximilian Harden of Berlin and Emile Zola have rendered a magnificent service to civilization by focusing the attention of the voters upon a case of oppression or corruption. As recently as 1911, almost the whole press of Germany denounced the slashing of the lame schoolmaster of Zabern by the undaunted Lieutenant von Forstner. In England every newspaper has been free to say anything it chose about any

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public official, though liable to be cast in heavy damages if it assailed a private reputation.

How is it today? Even in England there is no such thing as a free press. Among the belligerent powers no criticisms are allowed on military movements or commanders, and the offense of printing the truth about things already known and published in other countries may lead to severe punishment. The government was so childish as to conceal the loss of the *Audacious*, which was known to hundreds of people. People expect censors in Austria, but it seems ridiculous for the London newspapers to be deprived of dispatches which go freely to America. Bernard Shaw and Vernon Lee tell John Bull that he is vain, stupid, and no better than his neighbors, and that is allowed to pass. Otherwise the military censors everywhere employ the blue pencil and scissors. Partly because of this lack of common-sense news, in all countries there is a rage and fury against the unhappy citizens of enemy countries who have been stranded away from home. The fear of spies is very like the fear of witches in colonial times, not founded on reason or affected by the lack of evidence. The possession of a German name, doing business behind a

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German sign, speaking a German sentence, may draw a mob upon an innocent person in a non-German-speaking country. Free thought, public discussion, the will of the people, seem to have lost their meaning.

One of the main arguments for universal military service is that, since every able-bodied military man is a soldier and in most countries also a voter, the representatives of the people will never sanction a war that is not absolutely unavoidable. In the present great struggle not one country was held back for five minutes by the pressure of its citizen soldiery. In fact, the breaking out of the war is a conclusive proof that universal service brings about a habit of mind which is very unfavorable to democracy. The citizen may oppose war, speak against it, write against it, ask his representative to vote against it. The same man as a soldier is taught that to oppose war is cowardly, a breach of discipline, contrary to the spirit of the service. On one side a man is an independent unit in a great aggregation and he may join with other units in peaceable remonstrance. On the other side, he is an undivided part of a military community in which argument, hesitation, and discussion are traitorous.

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An army made up of democrats is not a democratic army, least of all in services like those of Germany and Austria; there, the officers are of a different social class from the men, and have no conception of accepting the decision of men in the ranks as a restraint upon their own action.

Here is the evidence that even a mild militarism has very unfavorable effects upon democracy, even where it consists only in giving a favored position to military men, exalting military courage and preaching the gospel of obedience to one's superior officer. The goal of Americans is freedom. The joy of American living is the right to have one's own way. The child looks forward to the day when he will become a man and can play a man's independent part. The sculptor searches for inspiration in the picturesque life of his own country and molds the frontiersman, the Indian, the cowboy. The triumph of American education is the right of the professor to speak his mind. As a nation we go to an excess in freedom. The tramp follows his instinct to wander and to be fed by strangers. The yellow journal pushes the right of a free press to the point of scurrilousness. Children select their schools and

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colleges, their friends and amusements. The trade in poisonous drugs is just now coming under regulation. Yet there is no genuine and wholesome American who does not feel that these extravagances are to be endured, if necessary, to keep the two pearls of great price—freedom of body from the control of another person, and the freedom of the soul to see and to describe things as they are.

War is the negative and denial of freedom. All modern wars rest upon the universal legal principle that it is the right of the state to command the service of any or all of its sons. The free American may be, indeed ought to be, compelled to undergo some military training. If he formally enrolls himself in the militia, he must obey orders to turn out for drill, camp, maneuvers, or riot service. The recruited man, the militiaman, and the drafted man may all be forced into the army in case of actual war. Once a man puts on the knapsack and takes hold of the rifle, he becomes the servant of his officers and the bondman of the state. "Obey orders," is the first and last letter of the soldier's alphabet. That means to march for apparently unending days, to carry heavy burdens, to perform repulsive tasks, to live on

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scanty food, to drink noxious water, to sleep in the mud and wake to a miserable meal. The better organized the army, the more thoroughly does the once free man become a machine, or rather a cog in a machine. If his orders are to fire at the enemy, he sends his bullet in the air and it descends to kill a man whom he has never seen and who, if he could have known it, might have been a heart friend. He must obey orders if they bid him throw his living body into the cracking, hissing zone of death. He must obey orders if he is directed to fire on non-combatants, or to drop bombs on nursemaids and babies in perambulators, or to sink a ship full of helpless women and children. Disobedience, even under such circumstances, is the heaviest of sins, to be atoned for by a disgraceful court-martial and a shameful traitor's death.

This is the contrast between freedom and war, the one aiming to make men rational, thinking, considering beings; the other depending on the expectation that men will abdicate their own souls and do just what they are told. Hence, war has been the enemy of republics in all ages. The Greek, the Roman, and the mediæval democracies all went down in blood at last. What is the hope for mankind, the safety

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of civilization, if Mars is to lay his mailed hand upon the shoulder of every able-bodied man and say, "Think no more; only shoot"? On one side, democracy, on the other, militarism, contend for the dominion of the world.

In the last quarter-century the organized Socialists have been a power in the affairs of government; in some countries they express the purposes of the working classes. In Germany the so-called Social Democratic party is the only party of protest, and its candidates receive the votes of hundreds of thousands of those who are discontented with what they think the arbitrariness of the government. In the United States the avowed Socialists polled 900,000 votes in the presidential election of 1912. They are in most countries well organized and are strong advocates of an international understanding between the working classes. Previous to the war they were expected to defend ultra-democratic principles. What have they done in the present crisis? As an organization they have in all countries simply abdicated for the time being.

When the pinch came it was natural that the English Socialist should be an Englishman first, and a Socialist after the war shall be over. But

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in the militaristic countries there is a stronger reason for joining in the war with heart and soul. In Germany, for example, the aim of the Socialists is to show that they are not the dangerous and destructive class that has been pictured by high authority. They expect eventually to lead the majority of their countrymen to their way of thinking, and their influence would be absolutely destroyed for decades to come, if after the war they should be held up as the sole body of Germans who would not defend the Fatherland. The Socialists at the front are earning the right to say, "We have not only lived with you; we have died with you. And you can no longer hold that our doctrines are contrary to patriotism and to self-defense." John Burns, the labor leader, resigned from the ministry in England, but that was not because he was a Socialist, but because he felt with justice that he and his friends had not been consulted like other members of the Cabinet; that the aristocracy had made a capital decision without them.

Yet though Socialism as a principle is paralyzed in the great war, Socialism as a principle has never in the history of mankind won such a victory. The method of the war has given

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the Socialists ammunition for half a century to come; it proves their contention that the community can work more efficiently through collective effort than through individual effort. Never has state Socialism been practiced on such a scale and over such an area. For the transportation and supply of armies, all the governments have taken whatever they wanted. They have for the time being nationalized the railroads, the food supply, the manufacture of arms, and will apply the same principles to the putting in and harvesting of crops, the production of mines, and the output of factories. What an uplift of the world would come about, if the nations could apply to such matters as education and social welfare the same terrific energy, the same abnegation of individual profit and interest and direction! Unfortunately, or perhaps fortunately, this tremendous single-minded national devotion is possible only because it is unusual. A horse can be urged to put forth for a few minutes four or five times the muscular strength which he usually employs for drawing a load, but nothing will compel him to keep up that effort for a day or an hour. The screws of a monster ship will work steadily when they are submerged, but when the ship

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itches, and the screws come out of the water, they may rack the machinery to pieces.

Nevertheless the state Socialism thus employed is not of a kind that commends itself to the Socialist. It accords with the maxim, "from everybody according to his ability," but does not accept "to everybody according to his needs." The army comes first, second, third and fourth in the scale of thought and expenditure. To keep the army going, men must work; and a strike in the arms factory is looked upon as hardly less than treason. All the great countries involved, except England, have the unquestioned right to call out every man physically able to take part in a campaign, and probably millions who are not physically able. England will eventually come to conscription if the war lasts long enough; because the "thin red line of 'eroes" will not be numerous enough for the crisis of attack or defense.

It is going beyond orthodox Socialism to compel men to work under military guard, and that is what every European country will do if it cannot otherwise keep up the supply of food and munitions. The commandeering of metals and food already practiced by Germany and Austria will be adopted by other nations if that

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is the only way to keep the populations alive and to supply the armies.

That is indeed the statecraft of our International Workers of the World; but the I. W. W. expect to control supply and transportation through their own chosen leaders, and not through any sort of hereditary or military officials. Socialists may enter the army to fight a foreign enemy; yet when it comes to the point of shooting down fellow Socialists because they question the authority of the government, state Socialism runs on a rock. It is hard to see how this new Socialistic state differs from the old-fashioned despotisms which assumed the right to seize any or all of the property in their country in order to use it for what they assumed to be national purposes. What is the difference in theory of government between a state in which Lord Kitchener calls out men and directs the distribution of food, and one in which Louis XIV did the same thing?

For many years the advocates of peace have been banking upon the self-interests of the business men, both large and small. Have they not a strong influence upon government in every country? The great money-lenders were supposed to form anti-war syndicates, looking after

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their interest and their coupons, and their expirations and the drawings of their bonds for payment. The world had almost come to believe that the power of commercial and financial syndicates was the greatest in the state. Inasmuch as they have financed the wars of the past half-century, they thought they were in a steel fortress; they believed apparently that nobody could make war without their lead. Was it not the money-lenders or rather the no-money-lenders, who made necessary the Peace of Portsmouth in 1905 between Japan and Russia? Was it not the bankers who by withdrawing the French funds in 1911 nearly brought about a panic on the Berlin Bourse, and proved to the Germans that they could not afford to go to war on the Agadir incident? On the contrary, so far as the great capitalists work through their ramifying influences on the electorate or by direct contact with the executives, they have absolutely failed to delay the war by a single twenty-four hours. During the last twelve months they have acted as reservoirs of capital, and have remarkably supported the operations of their governments. The popular subscriptions to the German and English loans are undeniable proofs of the strength and flexibility of

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the modern financial system. Nevertheless the capitalists accept the doctrine that it is their business to lend and not to consult. The power, weight, and authority of the men of business have for the time being ceased to control their governments.

Another class of business men is that of the small dealers, manufacturers and traders who up to this time in all countries have kept up profitable business, notwithstanding the tendency to bring industries together into large units. Whatever the limitations on the suffrage, this class everywhere possesses it; and it is as much interested as any class in politics, elections and popular government. Here, if anywhere, ought to be found a solid wall of resistance against an unnecessary war, and an unbreakable determination to take part by discussion and through representatives in the management of affairs. Yet that class has shown no more resisting power or directing power than the laborers or the capitalists. Germany has always been interested in and protective of *der kleine Mann*. In England the small shopkeeper is still a pillar of the state, and in France the family business and industries are the admiration of all investigators.

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Could not those people rally to defend their obvious interests? They stand to lose more than anybody else. The workman who survives the war will find employment, perhaps on more favorable terms than before. The great capitalist will come out the creditor of his country, and his children and grandchildren will draw the interest. The small men stand to lose more than their proportion of lives, all their savings, and very likely their business.

With the small business man is closely associated the farmer, whether land-owning or renting; and that includes a considerable part of the peasants in all the European countries. Those people ought to be depended upon to look after their own interests. All representative democracies consider them the safest class in the state. Yet in not a single country has that class asserted itself! Higher taxes, expropriation of crops and stocks of goods by the state, the draining of their savings, the stoppage of their little trade, any one of these things would cause an overturn at the next elections in ordinary times; yet they are all accepted without a quaver. What is the matter? Have men lost their interest in their own affairs, their farms, their gardens, their crops,

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their workshops, their offices? Has the desire to make one's children safe and comfortable ceased to be a motive in the human mind? Above all, has the democracy which has been growing steadily for a hundred and fifty years, suddenly lost its vitality?

The picture of the apparent abdication of popular government in Europe has been deliberately drawn in strong colors, because it is a part of a problem to which the people of the United States are now directing their minds. In not a single European country have the people any intention of giving up the hard-earned right to share in their own government. There is no reason to doubt that the German Socialists, for instance, will continue to send to the Reichstag a large number of their representatives. Some of the oppressed classes at the bottom of the social and political scale may come to their own. If Jews in Poland and Gypsies in Roumania can die for their country, have they not earned the right to live in it on equal terms? The confidence of the various peoples, their sacrifices, their heroism, ought to be a living lesson that they are capable of helping to direct the destinies of their land. The Duma which has stood by the Czar and the aristoc-

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racy of Russia can hardly be treated in this furnace flame as a set of visionary radicals. The war ought to draw the social classes of every country closer together.

The real reason for the present state of democracy is obviously that the people of every nation believe that their only hope of victory is in concentration of their force. What they have actually done is to constitute groups of dictators for the time being. Never was there a greater mistake than to suppose that the Emperor Francis Joseph and Kaiser Wilhelm II are tyrants who have usurped power. Authority has been deposited in their hands because national armies, directed by a single impulse, are doubly as effective as armies acting separately. We of the United States know that full well, because General Grant in 1864 was the first man to insist that the Eastern and Western armies should move at the same time and with a common purpose; and that is why Grant and Sherman and Thomas and Farragut finished up the war. Even in our war the legal authority was concentrated in the hands of President Lincoln. No military critic would admit that the Senate and House at that time contributed much to military efficiency. The main service of Con-

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gress was to keep the government in touch with the people at large, and to maintain enthusiasm through four dragging years. The Germans are right and the English are right in their feeling that the whole country must pool its issues, must concentrate its confidence, must accept great decisions made by a few self-chosen people.

For the national dangers are terrific. Every belligerent except Russia has thrown into the fray its existence on the scale which it deems respectable. If Great Britain is defeated, she will lose a great part of her colonies and the naval prestige accumulated during three centuries. If Austria is defeated, she may be dismembered. If Serbia is defeated, she becomes a province of Austria, which to the Servians is a repulsive Nirvana. The Belgians have been defeated and for the time being have gone off the map of Europe. The midst of such danger is no time to stickle on a vote or a parliamentary inquiry.

All the European countries are much more familiar than we are in the United States with capital decisions made by others than legislators. They have a tradition of royal prerogative enhanced by the titles, distinctions, re-

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wards, and promotions which are at the disposal of the sovereign. In England treaties are made by the ministry and submitted to Parliament for discussion after they have gone into effect. In France, the ministry and the individual ministers use large authority to bind the individual even in time of peace. Imperial rescripts, royal orders, and ministerial minutes have the force of law; and, so far forth, Europeans do not feel the sense of usurpation that would be roused by similar action in this country.

Hence it is idle to suppose that the war may result in the overthrow of European thrones except perhaps in the Balkans. King George and perhaps Victor Emmanuel of Italy are the only royal sovereigns whose jobs might be endangered; because the difference between their being kings and being simply an Englishman or an Italian is already small. The Russians, the Austrians, and the Germans have no national conception of a government without a crown. The out-and-out Republicans in those countries are few, though those who desire democratic government are many. Whatever the result in any of the European countries, it is likely that either misfortune or victory will bind

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closer together the sovereign and the people who have labored and suffered together.

Will the war also enhance the representative part of the various governments? That depends in large degree upon the success of republican France and essentially democratic England. The world is bound to take notice of the relative efficiency of popular and aristocratic governments. The ordinary voter is not a political philosopher, and if England and France win, even by dispensing with the parliamentary régime for the time being, the people will feel that democracy has triumphed. They will feel so rightly, because it will be a proof that countries brought up under popular government, in which the military and naval systems and preparations are subject to parliamentary control, can hold their own against armies officered, trained and directed by a more nearly absolute system. Rome was no less a republic after Cincinnatus returned to his plow. Some republics have perished in similar crises, because the commanders of the army and navy have turned upon their creators; but nobody has the slightest dread of a King Kitchener the First or an Empereur Joffre Premier, or a Kaiser Hindenburg. It is a fine tribute to de-

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mocracy that nobody dreads the Man on Horseback.

The success of the combination of Germany, Austria-Hungary and Turkey would reaffirm the Oriental type of government in the Turkish Empire, in which the Young Turks, with all their efforts, have not been able to establish an actual parliamentary government, and are ruled by a self-perpetuated cabal. Thereafter Turkey would stand toward Germany in the relation that Egypt occupied toward Great Britain down to the present war—a nominally independent nation, while actually in complete dependence on its sponsor.

As for Austria-Hungary, it seems impossible that the Slav elements in a reconstituted empire should not gain more liberty and right of self-expression than in times past. They deserve something, for they have inflicted a big scare on the monarchy, yet have not revolted. The present forms of democracy may be expected to continue in Germany; for the German Reichstag with its manhood suffrage was organized by Bismarck so as to give to the smaller states substantial representation in the empire. Doubtless success in war would somewhat exalt Prussianism, militarism, distinctions of classes

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and military methods of government, which seem to outsiders so contrary to the genuine spirit of democracy. In any case no European country is likely to change either from democracy to monarchy or from monarchy to democracy. The future trend from or towards democracy will depend on who is the victor.

Although the United States of America seems to be quite outside the danger zone, we have something to learn from the experience of our democratic neighbors abroad. First of all are we wise in putting the immediate control of our armies and navies into the hands of civilians? In our four external wars since 1789 and in our Civil War, the commander-in-chief of the armies and navies was in every case a civilian. We have had several presidents who were chosen because of their military reputation—Jackson, Harrison, Taylor, Grant—but not one of them took the conduct of a war upon his hands. Perhaps the American suspicion of military men as more likely to make themselves despots has no foundation; but civilian presidents ought to have military and naval experts upon whom they can throw direct responsibility.

Military experts have their failings, but it is the business of their lives to study the military

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needs of their country and to keep abreast of the advance in military science and machinery. The United States might well follow the example of military countries like France and England in frequently putting at the head of the departments of war and navy men who are trained in that specialty. In the long list of secretaries of the navy since 1798, the only well-known name of a naval commander is John Rogers, who was *ad interim* for a few days in 1823. The first secretary of war, General Knox, was appointed because he was a trained military administrator; and Pickering, McHenry, and Armstrong were military men. Winfield Scott served about three weeks *ad interim*; but Jefferson Davis was the only experienced soldier to be appointed to the office except during the troubled period of reconstruction when Grant, Schofield and Sherman served for a few weeks.

If the country absolutely cannot trust its army to a soldier and its navy to a sailor, it absolutely must put military men in places of recognized responsibility. With great difficulty the army has secured a general staff, the chief of which, however, is supposed not to be in the confidence of the administration. Congress has

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refused the similar naval staff which is essential. Congress is not stingy. In the year previous to the present war, the United States government spent more money for military and naval purposes than any European power. We may as well do in advance what Great Britain has been compelled to do by the danger of national ruin—we may as well select a man of brains and intrust him with the task of reorganizing the army, which sorely needs it. The United States is protected by three thousand miles of water and besides that, by the naval first line of defense; after that by the use of mines such as are protecting the coasts of England, France and Germany from a landing of enemies. Still those three countries have more than twenty thousand men available to resist an attack if the first and second lines were broken! France and Great Britain have far exceeded the United States in preparations, and yet both were caught without a sufficient amount of material and a clear knowledge of where the human units were to come from. It was not creditable to the kingdom of Great Britain and the empire of India that 324,000,000 human beings should have had at their disposal in a moment of supreme danger—leaving out of ac-

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count the garrisons in Africa and Asia—less than 100,000 troops available for immediate service. It is still less creditable to the United States that 100,000,000 human beings should rely upon a net effective force capable of being thrown at any point on our eastern coast of less than 25,000. We have the keenest desire to maintain democracy in the western world, but there can be no democracy of the United States unless there is a United States capable of keeping out hostile armies.

Above all American democracy must recognize that armies are made up of soldiers. The English territorials and colonial levies have been molded in from four to six months into good troops; but if the Germans had been able, as seemed not impossible, to land an army in England, the United Kingdom would have collapsed. Thereupon Paris would probably have been captured. It is a crime which ought to be punishable by confinement in a state's prison, for the American people to rely upon untrained volunteers for future wars. Their quality is high and once properly drilled and officered they could march, fight, and hold trenches against any soldiers in the world. But the experience of the United States in every

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war from the Revolution to the Spanish War has been that the refusal to give military training till the war is actually breaking out means a fearful waste of treasure and of lives. The wars of the future are going to be fought by great masses of trained men. What American democracy needs is simply to apply to its own defense the principles of organization, expert service, and efficiency which have made its railroads and mines and factories so productive. This favored country cannot go on indefinitely enjoying the privileges of modern life without taking account of the present changes in warfare and international relations.

II

AN ECONOMIC INTERPRETATION OF THE WAR

EDWIN R. A. SELIGMAN

There have been almost as many explanations of the great war as there have been writers. The explanations, moreover, have ranged over a very wide field: personal jealousies, dynastic differences, militarism, wounded pride, the endeavor to round out political boundaries, racial antagonism, not to speak of such high-sounding phrases as struggle for liberty, or fight for national existence—all these and many more have been advanced for popular consumption. What is lacking in them all, however, is a realization of the fact that a conflict on this gigantic scale must be explained on broader lines than any of those mentioned. Wherever our sympathies may lie in the present struggle, it behooves us, as students of the philosophy of his-

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tory, to take a position far removed from the petty interests of any of the contending parties. Servia tells us that she is fighting for independence; Austria maintains that she is struggling against political disruption; Russia asserts that she is contending for the liberties of the smaller Balkan States; France urges that she is endeavoring to restore freedom to her lost provinces; England puts in the foreground resistance to the insolent pretensions of militarism and protection of small nationalities; Germany claims a place in the sun; and Japan—well, Japan is fighting to defend large rather than small nationalities, that is, to free China from German domination. In each country, with scarcely a single exception, there has been a truly national uprising. Each of the contestants considers that he is fighting for a holy cause, and is thoroughly convinced not only of the justice of his own claims but of the infamy of his adversary's. Rarely in the world's history has there been presented such a spectacle of genuine and universal enthusiasm penetrating every nook and cranny of the belligerent countries, combined not only with an utter inability on the part of each to understand the position of the other, but also with a fierce and

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implacable hatred between the more prominent contestants.

But if, amid the actual clash of arms, it is impossible for any of the belligerents to see the situation in its true light, is there any excuse for us, as neutrals and would-be philosophers, to content ourselves with the explanations that are born of mutual prejudice? Is it not rather incumbent upon us to realize that there are deeper world forces at work which are responsible for the present titanic conflict; and if so, is it not somewhat hasty to endeavor to apportion praise or blame for what is the inevitable result of world forces?

The starting-point of our analysis is the existence of nationality. Modern, as distinct from medieval, and in part from ancient, political life, is erected on national foundations. The city states of classic antiquity or of the Middle Ages, although forming political entities, had no direct relation to the facts of nationality. There were in fact no nations: there were peoples and races and states, but no nations. The Greek states warred with each other, and there was an Hellenic people; but there was no Greek nation. Rome overran the world, and the Roman Empire included many peoples and

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racess ; but we cannot properly speak of a Roman nation. In the later Middle Ages, the Italian and the German cities were often at war with their neighbors ; but there was no Italian state or German state, and still less an Italian nation or a German nation. Modern political organization, on the other hand, is framed on national lines ; and it is now universally recognized that the creation in the seventeenth century of the first great national states on the continent, as well as the solidification of the British commonwealth, was due to economic forces. It was now that what the economists call the local or town economy gave way to the national economy ; it was now that land as a predominant economic force was replaced or supplemented by commercial and industrial capital. Land in its very nature is local ; capital, in its essence, transcends local bounds. The rise of the national state was an accompaniment of the change in economic conditions.

From that time to this the basis of national life has been economic in character. I do not, of course, desire for a moment to deny that other factors have contributed. National consciousness is a subtle product of many forces, among which geographical situation, common

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language, inherited traditions and similar social and political ideals have all contributed to perpetuate the racial characteristics which differentiate one nation from another. That racial and even religious differences have in the past frequently led to sanguinary contests goes without saying; and he would be venturesome indeed who would dare to predict that the future has not in store for the world many a conflict referable to these same causes.

If, however, we trace the history of the world during the past few centuries we are struck by the fact that, on the one hand, nations of different races have lived together in complete amity, and that, on the other hand, separate nations belonging to the same race and the same religion have often indulged in the most violent conflicts. Examples like the war between England and the United States, between Chile and Peru, between Prussia and Austria, could easily be multiplied. If in these cases the old explanation of racial antagonism obviously does not suffice; if on the contrary the political contests in such cases were due to more fundamental economic causes, is it not fair to assume that as between nations of different races as well,

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similar economic causes often lie at the bottom of the controversy?

While economic considerations indeed do not by any means explain all national rivalry, they often illumine the dark recesses of history and afford on the whole the most weighty and satisfactory interpretation of modern national contests which are not clearly referable to purely racial antagonisms alone. The present struggle is without doubt to be put into the same category. To say, however, that nationalism in its economic aspects is the root of the present trouble is not yet adequate. For we have still to explain why there should have been such a recrudescence of nationalism of recent years. On the contrary, it might be asked, if the modern age is essentially a capitalist age, why should we not, in the face of the international aspects of capitalism, have a growth of internationalism rather than of nationalism? Why should we not be on the brink of that era of universal free trade, of permanent peace and of international brotherhood for which Adam Smith and the Manchester School so valiantly contended? Why is it that after the downfall of the Mercantile System—which was nothing but the economic side of the great national move-

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ment of the seventeenth and the eighteenth centuries—we should witness, hand in hand with the undoubted growth of international intercourse and mutual understanding, the revival of the so-called Neo-mercantilism, as found a generation ago in almost all the continental nations of Europe as well as in the United States? And why should we at this very moment be in the presence of an almost universal emergence of national consciousness which threatens to destroy well-nigh everything that has been won during the nineteenth century, and which in its deplorable aspects is typified no less by the Oxford pamphlets of the English scientists than by the fulminations of the German professors or the decisions of the French learned societies? What are the world forces which compel human beings, almost perhaps against their will, to act as do the foremost representatives of our present-day civilization?

If I read history aright, the forces that are chiefly responsible for the conflicts of political groups are the economic conditions affecting the group growth. These conditions have of course assumed a different aspect in the course of history. The first and most obvious reason

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leading to an expansion of a political group is the desire to insure a food supply for the growing population. It is today a fairly well established fact that the forces which set in movement the migration of the peoples from Asia to Europe and which were responsible for the so-called irruption of the barbarians were primarily the inability to maintain the flocks and herds, owing to the gradual desiccation of the original home, and the necessity of seeking fresh pastures abroad. We have recently been taught that the secret of the implacable enmity between Rome and Carthage was the desire to retain Sicily as the granary of the world. The need of an adequate food supply is the first concern of every political entity.

The next step in the economic basis of political expansion is the desire to develop the productive capacity of the community. This always assumes one of two forms. Where agricultural methods are still primitive and agricultural capital insignificant, the system of cultivation is necessarily extensive. As a consequence, and especially in those countries where slavery has developed, the need of a continual supply of fresh land as a basis for profitable slave cultivation, becomes imperative. It is this

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fact which explains the Mexican War in the history of the United States, as well as numberless conflicts of former ages in other parts of the world.

On the other hand, where agriculture has been supplemented by an active commercial intercourse, and especially in the case of countries contiguous to the sea, the desire for the increase of wealth based on commercial profits has in the past everywhere led to a struggle for the control of the trade routes. From the time of Phœnicia down to the domination respectively of the Hanse towns and of Venice, the grandeur and decay of civilization may almost be written in terms of sea power.

All these changes, however, were anterior to the growth of modern nationalism. What, then, are the points in which modern struggles differ from their predecessors?

From this point of view it may be said that the first stage of modern nationalism represents an analogy rather than a contrast; and that it is only in the later stages that the real differences are to be sought. In the first stage of modern nationalism we find in fact a combination of the three forces which, as we have seen, played so important a rôle in former times.

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The closing of the land route to India, through the Mohammedan conquest of Constantinople, and the discovery of the New World were the two chief factors which led to the development of nationality in the sixteenth and seventeenth centuries. It was at this time that the great colonial empires of Spain, Portugal, Holland, France and England were formed. The struggle to protect the economic interests involved in the colonial system led necessarily to an organization on a national scale. The real basis of the early colonial system, however, was the attempt to secure either raw materials for the incipient manufactures of the mother country, or crude articles like the spices from the East Indies, or treasure from America. The early colonial system, which itself marks the transition from medieval feudalism to modern capitalism, thus represents an attempt to increase the area of the supply of certain kinds of food, or the endeavor to expand the basis of productivity by the acquisition of fresh land calculated to yield raw materials or, finally, the effort to secure what was considered the essence of wealth itself in the shape of the precious metals. In order to accomplish each of these results, a great navy

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was necessary, and such a navy could be provided and maintained only along national lines.

Before long, however, the accumulation of capital derived from the profits of the colonial empire found its chief utilization in an application to industry; and as this capital gradually percolated through business enterprise, the whole form of economic organization was changed. In the place of the medieval guild system where the same individual bought the raw material, fashioned the commodity, and sold the product to the consumer, there now grew up what was later on known as the domestic system, that is, the system where the first and third stages of the process were in the hands of capitalists who could both buy the raw material and sell the product on a large scale, while the second stage in the process was still carried on by the individual workman in his own home. The emphasis was consequently now put upon the protection of this national industry against its rivals, and the colonies henceforth became important, not so much as sources of raw material as, on the other hand, favorable markets for the commodities manufactured in the mother country. The so-called Mercantile System was badly named: because

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although it is true that the prosperity of both colonies and mother country depended on the interchange of products carried on through overseas commerce, the essence of the system was the development of domestic industry on a national scale. The great wars of the seventeenth and eighteenth centuries, fought in order to control the sea and to expand the colonial empire, all had in view the development of the nascent industry on capitalist lines. Protection of industry was, therefore, the characteristic mark of nationalism during this period.

With the advent of the nineteenth century, however, Great Britain was ready to enter upon the next stage of development. Having built up her industry by the most extreme and ruthless system of protection that the world has ever known, and having wrested a large part of her world empire from her competitors, England now found it to her interest to go over from a system of protection to one of free trade. The free-trade movement, as is almost always the case with great economic transitions, was only ostensibly in the interests of the consumer, but actually in the interests of the producer. Thanks to a favorable conjuncture of events familiar to all scholars, the industrial revolution

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—which means the complete application of capitalism to every stage of the productive process—took place first in England, and thus consolidated her position of industrial primacy. But as free trade and universal peace were obviously the means best calculated to perpetuate this industrial monopoly, we find Great Britain from this time onward desirous of living in amity with all those countries which had formerly been her rivals, but which were now hopelessly distanced in the industrial race and which were henceforth to be regarded as the most desirable markets for the output of British factories.

With the gradual spread of the factory system, however, into the continental countries, a new situation was engendered. In the first place, economic pressure upon Germany and Italy gradually resulted in the creation of a political nationality in order to mobilize the economic forces on a national scale. As a consequence, we find emanating from those countries, as soon as nationality was achieved, precisely the same movement of protection to industry which had characterized the Mercantile System several centuries earlier. Just as nationalism was the real basis of the early Mer-

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cantilism, so this movement now came to be called Neo-mercantilism. In France, indeed, where, as we know, nationalism had been achieved at an earlier date, the new movement assumed a slightly different form, namely, that of competition for the markets of the world. It was this competition for the world market which now, after the period of quiescence and universal good will during the sixties and seventies, led in the eighties to the new movement for the increase of the colonial empire on the part of both England and France, and which at one time almost threatened to bring those two great nations into collision in Africa. Moreover, the advent of the industrial revolution in Germany and the transition from the domestic to the factory system immensely increased the tempo of the evolution. Whereas in the first decade after the formation of the German Empire the chief emphasis was put by Bismarck upon protection, now towards the close of the century the national industry had been built up to such an extent that Germany soon joined France in competing for the world market against England.

This transition from a period of protection

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to a period of competition for markets would not, however, have sufficed to bring about the present gigantic struggle. The most important phase of modern industrial capitalism still remains to be explained. After national industry has been built up through a period of protection, and after the developed industrial countries have replaced the export of raw materials by the export of manufactured commodities, there comes a time when the accumulation of industrial and commercial profits is such that a more lucrative use of the surplus can be made abroad in the less developed countries than at home with the lower rates usually found in an older industrial system. In other words, the emphasis is now transferred from the export of goods to the export of capital.

England reached this stage a generation or two ago. For England, as is well known, has largely financed not only North and South America, but also many other parts of the world as well. In fact, the chief explanation of England's immense excess of imports is to be found in the profits from her surplus capital annually invested over the seas. Because of her later transition to the factory system, France followed at a subsequent period, but even then

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only to an inconsiderable degree. For in the first place, the virtual cessation in the growth of population prevented any such increase of output as in England, although naturally augmenting the per capita wealth, and especially the prosperity of the peasant. And in the second place, since the French are far more conservative, largely for the reasons just mentioned, their annual surplus, such as it is, has been invested chiefly in contiguous countries like Spain and Belgium, and later on, for obvious reasons, in Russia. Thus France did not develop into any serious competitor of England in the capital market of the world. On the other hand, the significant aspect of recent development is the entrance of Germany upon this new stage of development. The industrial progress of Germany has been so prodigious and the increase of her population so great, that with the opening years of the present century she also began on a continually larger scale to export capital as well as goods. It was this attempt to enter the preserves hitherto chiefly in the hands of Great Britain that really precipitated the trouble. For if the growth of national wealth depends upon the tempo of the accumulation of national

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profits, and if the rate of profits is, as we have seen, far greater in the application of capital to industrially undeveloped countries, it is clear that the struggle for the control of the international industrial market is even more important than was the previous competition for the commercial market.

Other and more familiar phases of the economic struggle have no doubt played their rôle in the various countries. It is indubitable, for instance, that Russia, still a predominantly agricultural community, is endeavoring to secure Constantinople partly in order to obtain an unrestricted vent for her wheat, partly in order to acquire a port which will not be ice-bound for the greater part of the year, and partly in order further to consolidate the basis of her national wealth. Austria, which is somewhat further advanced in industrial development, is assuredly interested in preventing interference with her economic hegemony in the Balkan States. Germany, because of her close union with Austria, is almost equally concerned in resisting the Russian pretensions. France, finally, would naturally seek to recover her lost provinces whenever the opportunity for an effective coöperation with Russia pre-

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sented itself. So that those who desire to interpret the war on the lines of an economic struggle between the Teuton and the Russian civilizations would find no little basis for their contentions. All these, however, would not suffice to explain the one thing which needs elucidation: Why has the present contest attained the dimensions of a veritable world war, and why has it become clear, not only to the dispassionate observer, but to the contestants themselves, that the real struggle is between England and Germany?

If, however, Germany and England are the real antagonists, the true interpretation of the war must rest on this antagonism. From this point of view it is significant that England should now for more than three centuries have fought her way up with successive rivals in turn. In the seventeenth century, England's chief fight was against Holland; in the eighteenth century her greatest antagonist was France, and now, finally, she has locked horns with Germany. To the student of economic history, the present war, however, was just as inevitable as its predecessors; in this case, as in the others, it seems unnecessary to advance the minor explanations which are currently found. England's war with

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Holland was a struggle for the control of the seas as a prelude to the expansion of national industry. England's wars with France were contests for colonial empire resting on a competition of markets for goods; England's war with Germany marks the final stage of a competition involving not simply the export of goods, but the export of capital.

While Germany was in the first stage of economic nationalism she took relatively no interest in colonial expansion, but was busily engaged in developing her industrial power and in utilizing to that end the same weapon of protection which had served Great Britain in such good stead in preceding centuries. With the consolidation and development of industrial enterprise Germany soon entered upon the second stage of economic nationalism, that of competing for the markets of the world. The export of commodities thus led naturally to colonial expansion, as a result of which the early Bismarckian policy was reversed. With the beginning of the present century, however, Germany entered upon the third stage of economic nationalism, supplementing the export of goods by the export of capital. Now it was that there emerged the real rivalry with England. Now

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for the first time there came into view the possibility of the financial control of large sections of the world, of which Morocco and Asiatic Turkey are good examples. These efforts for financial control represented a penetration of backward countries by a developed capitalism—a peaceful penetration if possible, but a penetration at all costs. For Germany was learning the lesson from England's experience, and was fully aware of the fact that a financial or capitalistic domination is the surest avenue which leads toward commercial growth and which renders probable the greatest multiplication of profits.

This consideration seems of slight weight. Is it not true, it might be urged, that capital is invested in foreign countries by people of all nationalities, and that the stock of modern corporations pursuing their activities in any country is distributed among investors of all financial countries? This criticism, however, does not touch the core of the matter. For in the first place corporation policy is not influenced by the minority stockholders at all; and it is determined, so far as nationality is concerned, by that of the controlling directorate. The fact that the shares of the South African mines were

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traded in on the Berlin stock exchange did not affect the close connection of the British mining corporations with the Boer War. And in the second place, the political influence which goes with financial authority is itself responsible for all manner of economic advantages, direct and indirect. It would be tedious as well as unnecessary to recite in detail the countless benefits that England has derived from India, or more recently from Egypt, and the numberless subtle ways in which she has contrived, just as every other nation would have done, to retain most of these benefits for herself. For who will in any way doubt that under modern conditions political preferment is the real open sesame to economic advancement? We have only to point to what is taking place at this very moment between China and Japan.

The German statesmen were simply learning their lesson from the vast book of English experience. The German economists were, almost to a man, united in the belief that, while it may not always be true that trade naturally follows the flag, it is clearly not open to doubt that political influence paves the way for economic superiority and vastly enhances the opportunities for economic preferment. It was primarily

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to augment this political influence and to clinch these expected financial and commercial advantages that a large navy, with coaling places and stations throughout the world, became a necessity. This attempt, however, necessarily constituted a challenge to England's virtual monopoly of sea power and engendered in both countries the state of mind which has finally resulted in the present conflict.

To say, then, that either Great Britain or Germany is responsible for the present war, seems to involve a curiously short-sighted view of the situation. Both countries, nay, all the countries of the world, are subject to the sweep of these mighty forces over which they have but slight control, and by which they are one and all pushed on with an inevitable fatality. England, no less than Germany, Austria no less than Russia, cannot escape this nemesis. How idle is it, therefore, to speculate as to what the particular torch may have been which set fire to the conflagration! How bootless is it to attempt to estimate from the blue book or the white book or the yellow book which statesman or set of statesmen is responsible for the particular action that led to the declaration of war! If the war could have been averted now,

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it was bound to break out in the more or less immediate future. Germany like England, Austria like Russia, Italy like Servia, each was simply following the same law which is found in all life from the very beginnings of the individual cell—the law of expansion or of self-preservation.

It is a curious fact that no one should hitherto have attempted to explain the paradox of increasing internationalism combined with the recrudescence of the newer nationalism which we are witnessing today. And yet, in the light of the preceding analysis, the explanation is simple. In the earlier days of civilization the stranger was the enemy because the economic unit was the local unit. With the slow growth of trade, these barriers were gradually broken down and the feelings of enmity attenuated, until, as in the Roman Empire, natural law developed as the law common to all peoples. In the same way, in the later Middle Ages, the local antagonisms were disappearing before commercial progress, until we even find dreamers who several centuries ago welcomed the speedy advent of the universal republic and proclaimed the impending reign of a world citizenship. As we have seen, however, the cre-

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ation of industrial capitalism and the birth of nations in the sixteenth and seventeenth centuries consolidated the economic interests along national lines. While individuals now considered themselves citizens of a country rather than of a town, national antagonisms became stronger than the older local antagonisms. Yet after the first fierce onset of national power the forces of internationalism began to assert themselves, and international law was born, although never becoming a very lusty infant. A little later, however, when Great Britain had completed the first stage of nationalism through protection, it was so clearly to her interest to emphasize the ties that bind nations together, that her philosophers and economists found for a time a more or less ready response to their cosmopolitan teachings among those countries which were not yet quite prepared to start on the road of nationalism. Thus it was that by the middle of the nineteenth century the precepts of Adam Smith were now taken up by Cobden and Bright, and were reëchoed in Germany, in Italy, in Russia, and in other industrially undeveloped parts of the world—with the one significant exception of the United States, which, having entered after the Civil

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War upon her first real stage of nationalism, turned a deaf ear to the preachings of the Manchester School.

With the progress of the industrial revolution in the United States, however, and with her gradual transition from an exporter of food to an exporter of finished products, the United States was ready to take its place side by side with England in preaching the gospel of cosmopolitanism and good will, and in emphasizing the forces which make for the growth of international trade. Had all the nations of the world been on the same level of economic progress, the very existence of capital as an international force would have lent a mighty support to the spread of good feeling and international fellowship. Unfortunately, it was precisely this equality that was lacking. In the absence of such a situation, the exploitation of the capitalistically undeveloped countries by the few nations which had reached the third stage of economic nationalism, that of the export of capital rather than of goods, became the keynote of a new struggle. Thus it is that modern capital, which on the one hand works toward real internationalism, peace and public morality and which will ultimately be able to

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accomplish its beneficent results, is at the same time responsible for the weakening of international law and the revival of a more conspicuous and determined nationalism because of the greater prize to be achieved and the fiercer struggle necessary to win it.

In the political life of the world today we see the same forces at work as in all life from the very beginning—the forces which we sum up under the terms of the competitive and the coöperative process, the individualistic and the collective movement. Just as the animal organism was built up by a combination of the struggle between the cells and coöperation among them; just as human society has developed through the advance of the individual working hand in hand with the growth of the group; so the world society that is slowly coming to pass is evolving in obedience on the one hand to the competitive spirit of national struggle, and on the other, to the coöperative forces of internationalism—both of them inherent in the modern factory system, resting upon industrial capitalism. At certain stages in the world's history the one set of forces seems to be in the ascendancy, at another stage the opposite set; but in reality they are complementary and

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are always working together. It is the industrial revolution with the factory system and the growth of capitalism which has set in motion the mighty forces both of world coöperation and of national antagonism.

In the light of what has been said, the present and the future of the United States form an especially interesting subject for consideration. When this nation was born it was for some decades weak and puny. It was the genius of Alexander Hamilton which realized the true economic basis of nationality and which attempted to start the country on its real career. The gradual dominance of American politics by the South, the economic basis of which was agricultural rather than industrial, was, however, responsible for good as well as for evil. The emphasis upon states' rights indeed almost destroyed the Union; but the need of a wider basis of productivity under the extensive system of slave labor was responsible for the Mexican War and the rounding out of our imperial domain. It was only with the completion of the Civil War that this country as a whole entered on the first real stage of economic nationalism. Thus it was that the United States, following the example of Great Britain a century before,

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built up an enormous industrial power through a system of national protection. We are now just beginning to reach the stage attained by Great Britain three generations ago, the stage, namely, of transition from the export of agricultural products to that of the import of agricultural produce and the export of manufactured products. We have not yet reached, and it may well be at least another generation before we reach, the third stage of economic nationalism, that of the export of capital on a large scale as the typical form of profitable enterprise. When we reach that third stage, which, as we have seen, carries with it the struggle for the exploitation of the relatively undeveloped parts of the world, our real trial will come, and the true conflict between nationalism and internationalism will begin. Then, and then for the first time since the development of our national forces, shall we have an opportunity to test the foundation of our historic friendship with Great Britain. Then, and then for the first time, will the situation arise when Great Britain, instead of being bound solidly to us by the bonds of her financial interest in us, will face the United States as a rival, a rival on the international market for

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the control of the capitalistically undeveloped countries. Whether by that time the forces of internationalism will prevail and good will and peace continue, or whether, on the other hand, the United States will be impelled, perhaps against her will, to take the place now occupied by Germany, can be foretold by no one.

Finally it may be asked what is to be the outcome of all this? Are wars to go on forever? Is the present struggle, gigantic though it be, simply a forerunner of wars still more gigantic? Or, on the other hand, are the dreams of our pacifists to become true, and is universal peace to be realized?

If there is any truth in the preceding analysis, both of these things are coming in the fullness of time. That is, we are to have more wars, but we are to have ultimate peace. The reason that we are to have more wars is simply because of the fact that what we call the industrial revolution is in reality only a gradual change, and that this change is but slowly permeating the world. That part of the earth's surface which is occupied by countries with a highly developed industrial capitalism is relatively small. Although capitalism is spreading throughout the West and South of the United

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States and effecting a lodgment in Canada and Japan and Russia, it is only beginning in the rest of Asia and Africa as well as in South America and Australia. As long as there are vast stretches of territory still waiting to be developed, so long will they prove to be a lure to the industrially advanced nations of the world. England, and to a much less extent France, have until recently provided this capital. Whatever be the outcome of the present war, however, nothing, if our analysis is correct, can check the ultimate tendency of countries like Germany, and later on Japan and the United States, to be followed still later by other countries, to secure their share of these lucrative opportunities. Whatever may be the immediate results of the present situation, or with whatever great success the attractive and even noble ideal of an imperial British federation may be realized, England can scarcely expect in the long run to retain the monopoly or the domination which it has achieved and which it built up during the nineteenth century as a result of the lucky accident of being the first country to experience the industrial revolution and to exploit her coal supply. England's primacy was no doubt deserved, and is assuredly

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welcome to many of us; but from the point of view of world forces, it is difficult to resist the conclusion that it also is destined to disappear. Rome was able to create a world empire and to maintain it for several centuries because there was no economic expansiveness in the outlying constituent members of the empire. Great Britain will find it far more difficult to create a world empire permanently dominating all other countries, for the simple reason that industrial capitalism is destined to overrun the world. Even today England is able to retain India only by strict commercial control and by sedulously preventing the growth of any national industry in that huge empire.

The above forecast as to the probability of the continuance of war rests indeed on an assumption that may be challenged. It might be urged that civilization is progressing so rapidly that the nations of the future will realize the economic waste, the inexpressible horror, and the irreparable ravages of war, and that common decency and ordinary humanity will impel the world into an abandonment of what is essentially the mark of savagery. However deeply and even passionately we may desire such a consummation, it must be confessed, in all hu-

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mility, there seems to be slight warrant for its expectation. If indeed the chief nations of the world were to abandon all efforts to secure selfish advantage for themselves; if an international pact could be arranged so that each nation would cheerfully divide its opportunities with its neighbors, and would welcome the entrance of continually new claimants into the agreement; if, in other words, generosity were to replace selfishness in national arrangements, the outlook might, indeed, be very different. But with the frailty of human nature, as it unfortunately still exists; with the undoubted national consciousness which is suffused at present with the distinctively modern emphasis upon the importance of the material basis of the higher life; and above all with the opportunity afforded to each nation to reach out for its share of almost boundless prosperity by grasping the new opportunities afforded to modern capitalism, it seems hopeless to expect any effective resistance to a temptation which is so compelling, so illimitable, and so promising of success under the conditions of actual economic life. No more striking illustration of the real forces that dominate the foreign policy of modern nations can be found than the vain

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effort recently made by certain Italian statesmen to repress the popular feeling and to prevent their country from joining a war the horrors of which had been for months clearly before the eyes of all. Pacificism seems destined, for the near future at least, to remain an unattainable ideal; for it is both blind and deaf to the effect of modern capitalism in accentuating, rather than attenuating, the lure of the economic life.

But if, then, we are likely to see during the next few generations wars on an even greater scale than the present one, will this endure forever? Not if our analysis is correct. For when once the time comes that industrial capital will have spread to the uttermost parts of the earth; when China and India and Africa and the rest will all have been as fully supplied with capital as are now Great Britain and Belgium and Germany; when, in other words, the industrial revolution will have permeated the world, then the economic basis will have been laid for two supreme events. In the first place, there will no longer be any exploitation of the backward countries, because there will be no industrially undeveloped countries to exploit. Then the whole world will be divided up into a series of

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empires, perhaps a dozen or more, on a level of comparative equality economically, and therefore politically. With such a relative equality of industrial development, and in the absence of any important foreign territory to be exploited, each nation will then find it to its interest to develop what is best within itself in order to carry on a peaceful exchange of commodities with the other nations. Then, and then only, will Adam Smith's dream be realized, namely, that each nation will be able to utilize its own climatic and other economic advantages in a peaceful struggle with other nations. Then, and then only, will universal free trade become profitable to all, and the rule of international amity become enduring. Then, and then only, shall we have the secure foundation laid for the world republic and for the coöperation of all races and of all peoples toward a common ideal.

In the second place is the industrial revolution. Just as the industrial revolution changed England from an aristocracy to a democracy, just as the industrial revolution in the United States is re-creating a new South on a democratic basis, so the spread of the industrial revolution will bring democracy through-

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out the world and will enable every country to turn its efforts to the ideals of a political and a social democracy. Then we shall not have to spend more money for dreadnoughts than we do for social progress.

To predict how soon this change will come about is idle. All that can be said is that the change is in progress, and that in this change there seems to lie the chief hope of the world's future. What the particular economic organization of the future is to be, it is not the purpose of these pages to discuss. My point will have been attained if we clearly keep in mind the inevitable spread of industrial capitalism, irrespective of the fact by whom the capital is to be controlled. Capitalism on an international scale may well lead during the next few decades to a strengthening of certain forms of international coöperation and fellowship, so ardently desired by all forward-looking thinkers. But industrial capitalism will not have completed its allotted task until it shall have brought about the reign of national economic equality which alone will serve as the basis of an enduring internationalism. Whatever may be the influence of the other factors, ponderable or imponderable, that contribute to civilization, it

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is scarcely open to doubt that the dominant forces which are actually molding history to-day are primarily economic in character, and are as a consequence intimately associated with the great transition that is at present taking place in the economic organization of the world. Unless the present conflict is studied in the light of these world forces, its lesson will not have been read aright.

III

THE CRISIS IN SOCIAL EVOLUTION

FRANKLIN H. GIDDINGS

For two or three months after the war began, everybody was asking or telling who was to blame. The primitive human instinct to hold some one personally accountable had asserted itself in full strength. Then, for two or three months more, every one plunged into a discussion of the "causes" of the war. Agreement about causes proved to be no more possible than unanimity in fixing responsibility. Doubtless in his heart every one felt bitterly toward some potentate or people, while in his intellectual centers he may have cherished a firm conviction that his own theory of causation was the only true one. Perhaps everybody was right, and only couldn't prove it. You know what the Scriptures say—or was it Don Marquis?—

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All the wicked cities
In the Vale of Siddim
Thought of things they shouldn't do—
Then they went and did 'em!

Like enough this simple hypothesis is as far as we shall ever get in explaining how the trouble began.

Of late, the speculations of the thoughtful have turned toward the future. How will the world henceforth be different because this calamity came upon it? Civilization is set back we all believe—but to what extent and in just what way? The destruction of commerce and the loss of life every one sees and thinks he understands. The waste of capital is realized by some. The irreparable loss to art and to science is appreciated by the few. And beyond this destruction, which is immediate and already is felt, processes of selection and rearrangement have been set going which will continue to affect the quality and the happiness of mankind throughout future time. May I ask your attention to one or two considerations, rather elementary I fear, touching these transforming changes that are likely to continue.

It is commonly held that modern war undoes

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the work of a beneficent natural selection. The best, we say, are killed; and the race must be perpetuated by its weaklings.

If this is true, or in so far as it may be true, a war so gigantic as the one now being waged must be regarded as the most appalling calamity that has overtaken mankind from the beginning. Gains of half a million years have been buried in the trenches, or withered by the fire of artillery. Surely a hypothesis so terrible should be subjected to searching scrutiny before it is accepted.

It is true, of course, that war takes the physically fit, and takes more of the young in the prime and vigor of life than of the old. It is true, also, that death takes a heavy toll of the bravest and most intellectual of these young men, whose courage and abilities have won them commissions as officers; who, whatever orders from above may be, spare their men whenever they can, and recklessly sacrifice themselves. If this were the whole story, we could not escape the pessimistic conclusion. But there is something more to be said.

How many of the men who fall in battle die childless, and how many leave offspring? Who knows? Yet plainly, until this question can be

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answered it is absurd to assume that the course of natural selection is diverted by war. The one fact that can be affirmed with certainty is that a large proportion of the victims of battle do leave children, legitimate or illegitimate. Since this present war began, a large number of hastened marriages have been made in all the belligerent countries; and the certainty of an extraordinary birth-rate in the summer of 1915 has necessitated measures, both governmental and voluntary, for rendering extraordinary assistance to destitute young mothers.

Again, the men who are killed in battle even in the present war, which probably is exceptional in this respect, are not the only important harvest of death. In all wars of which we have record, disease has claimed more victims than bullets. And in death by disease there is always natural selection. While cholera, typhus, typhoid and pneumonia take the strong no less than the weak, no one, I suppose, will deny that when all allowances have been made it is the relatively weak or non-resisting that are carried off in larger numbers.

These considerations surely put a question-mark against the assertion that war gives us an adverse natural selection. And these con-

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siderations are only the more obvious ones. Another, and probably far more important one, although we almost never hear it mentioned, is the intensified struggle for existence among the non-combatants. Hardships are multiplied, food is inadequate, doctors and nurses are at the front, anxiety and sorrow bring tortured nerves to the breaking-point. Under these circumstances, natural selection has its way to a degree approaching the remorseless elimination of the relatively weak which we are accustomed to associate with the jungle, or at least with savagery and barbarism.

In particular, women and children suffer. It is most curious that those who uncritically take for granted the adverse natural selection of war never let their imagination wander beyond the battlefield and the male combatants assembled there. Would it not be well, before accepting any conclusion on this subject, to ask for the death-rates of women and children during war years and immediately after? Unfortunately we lack adequate statistics; but what scientific man can ignore the plain implication of the facts that are available? The death-rate of women and children in such times is so much higher than in normal times of peace that it is

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impossible for any observer to be unaware of it, although he has no figures—as impossible as it would be to be unaware of an epidemic or of an extraordinary succession of funeral processions in a village street.

With some diffidence I venture to offer as my own conclusion a bit of pure skepticism. I seriously doubt whether war greatly affects the normal course of natural selection. In any case, the assertion that it does, is not proven.

Natural selection in the strict biological meaning of the term is closely simulated by a selection always going on in the realm of human habits, ideas, inventions, morals, laws, and political institutions. The wiser students of social evolution do not undertake to say how far these phenomena of behavior and relationship are products of unconscious activities, how far of man's conscious planning and reasoned endeavor. Either way they are products of the struggle for existence carried on collectively—by human beings living in groups, facing common dangers, making common cause, working together.

As the individual struggle for existence is successful for some and fateful for others,

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thereby eliminating not only the unsuccessful individuals themselves, but also in the course of time whole varieties or kinds; so the group or collective struggle—successful often for whole aggregations and fateful for others—has from the appearance of mankind on the earth until now been destroying habits, purposes, customs and policies correlated with unsucccess, and preserving and establishing policies, relations and habits correlated with success.

Whether war or peace in the long run plays the larger part in social selection is another question, upon which the wiser students of human progress will not offer too positive an opinion. But it is not rash to say that every war has destroyed many things beside human life and material wealth, beyond possibility of recovery or reproduction. Often the destruction is unobserved for years, or even generations, after hostilities have ceased. The habit or institution so eliminated is not usually as conspicuous as American Negro slavery; but the passing of uncounted social phenomena of lesser magnitude may have cumulative results quite as important as the crushing of any one great institution.

With all its uncertainties, history is less

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doubtful than prophecy, and it is easier to see the process of social selection in historical retrospect than to visualize its future consequences. Nevertheless, a war has this merit as a datum for intellectual speculation: it is a two-sided conflict—it presents alternatives. It was not easily possible to be muddle-headed about what would happen if the Saracens or the Huns conquered Europe; about what would happen if Great Britain subdued the American colonies, or the Southern Confederacy made good its secession.

The present war is more than a conflict of nations. It is a struggle between different civilizations. It will not result in the destruction of either civilization, or perhaps of any nation, even Belgium. But the outcome will give to one civilization or the other a long lead. It will discourage, handicap, and presently destroy many of the factors or elements that make up the defeated civilization, imparting to it its characteristic qualities.

It is the boast of Germany that her people are homogeneous, a relatively pure stock. The claim may be allowed if we confine attention to the strictly European elements that are blended

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in German blood, properly so called. The boast is altogether untrue if the entire population of the empires in question is taken into account; and this discrimination, as will appear, is the key to any thoroughgoing explanation of the profound difference between German civilization and the civilizations of France and England.

By comparison with the German and Austrian empires, the allied nations are an old and well-ripened blend of all four of the great European stocks. These stocks are: the Mediterranean—long-headed, olive-skinned, dark-eyed and dark-haired; the Baltic—long-headed, fair, yellow-haired and blue-eyed; the Alpine—broad-headed, chestnut-haired and gray-eyed, a product of the crossing of Mediterraneans with round-heads from the Armenian parts of Asia, who made their way across Europe along the southern foothills of the Alps; and the Danubians—broad-headed, florid, red-haired and gray-eyed, a product of the crossing of Baltics with Asian round-heads that pushed across Europe by way of the Danube and Rhine valleys, the northern foothills of the Alps and so into Belgium and England, where they became historically known as Belgae and Britons. The

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French and English have, of course, in their composition a much higher percentage of Mediterranean blood than the Germans have. While it is not quite accurate to identify this blood with the so-called Latin race, it is a physical basis of the Latin culture. In the Austrian and German empires, on the other hand, there are large groups of Asian elements far less well blended with European stocks than is any element found in the population of France or of England. The Lapps, Finns, and Slavs with which German blood is crossed in Prussia, the Esthonians, Magyars and Huns which have managed to keep separate from the Germans in Austria, have, all in all, made the population of the German and the Austrian empires much more of a merely mechanical mixture of unas-similable, or at any rate unassimilated, factors than are the populations of France and England.

No argument is needed to prove that populations composed of elements that neither amalgamate to any great extent through inter-marriage, nor assimilate mentally or morally through imitation of one another's habits, acceptance of one another's beliefs and ideas, and adoption of one another's purposes, can achieve

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political cohesion in one way only: they may be held compact by the strong hand of militaristic sovereignty. Such sovereignty, in its turn, may be the authority of a conquering state or it may be the authority created by the federation of states, not otherwise too friendly, for defense against a common enemy. Such populations engage in teamwork because they have to, not because they want to. They become accustomed to command. They learn to expect direction, to have life planned out for them. What Walter Bagehot calls "government by discussion" they regard as both wasteful and ineffective. A smoothly working administrative machine they learn to admire as the best of all machines invented by man, and the most important instrumentality that functions for human well-being.

How different is the political cohesion of populations sufficiently alike or sympathetic enough to amalgamate readily and to assimilate inevitably! It is as suggestive of chemical union as the political cohesion of antagonistic populations is suggestive of the mechanical union of molecules under the impact of a steam hammer. At some time far back in their history the blending social elements may have been dissimilar

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and hostile, as were the Pictish, Goidelic, Brythonic, Saxon, Danish, and Norman elements which combined at length in the English people. But if through long dwelling side by side antagonisms have diminished and toleration has prepared the mind for understanding and the heart for friendliness, a true people comes into being. Coöperation is created by the meeting of minds, policies are determined and shaped by discussion, sovereignty is the people's will, government is ministerial only; personal liberty, individual initiative, private responsibility and public accountability are things of course.

It will not do, however, to assume, without some further looking into things, that the civilization which is made possible by assimilation and a harmonious blending of elements once different, is on all accounts better than a civilization of the more mechanical sort. Civilization is a certain state, quality, and functioning of human society, and all human society is a great collective enterprise. In the struggle for existence, which began when life began, group effort has played a part as large and far more conspicuous than individual effort. The col-

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lective struggle for existence has made possible the moral and the intellectual advance of mankind by establishing relative security, creating economic abundance, and putting a premium upon the restraints, the sympathies, and the mental activities that are essential to social cohesion and successful coöperation.

To see the social problem so, in its ultimate nature, shorn of complications and stripped of accessories, is to realize that any group, association, community, nation or international organization, achieves the supreme ends of existence more or less fully as it is more or less efficient. And the efficiency must comprise both the collective efficiency of the coöperating whole and the personal efficiency of the individual units whose efforts are combined. If individual efficiency only or collective efficiency only were enough, the problem of the quality of civilization as poorer or better would be simplified.

This twofold aspect of efficiency must be borne in mind when we attempt to appraise the redoubtable efficiency of Germany, and to compare it with the efficiency represented by the allied nations.

German efficiency is "made"; French, English, American efficiency "grows." In Ger-

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many under orders from above a few selected kinds of education are planned and organized. No detail is neglected. From infancy the child is dedicated to a specific future. By the time he arrives at years of discretion he discovers that parents and the state have left him small scope for choice. He may, indeed, if of a more than commonly rebellious spirit, break away from the scheme of things into which already he is fitted like a standardized piece in a mechanism. If he has been prepared for shop or counting-house, in shop or counting-house he probably will abide. His preparation will have been excellent, and the chances are that he will revere and obey the state that so thoughtfully spared him the hard task of shaping his destiny. If for the civil service, the army, or the university he has been predestined, civil service, military life, or the university career will probably claim him, and hold him to the end.

Or perhaps so much of education as is needful for business or professional life has been thought too precious to waste on him, born a proletarian. The state does not therefore overlook him. He is told how much of his wages he must pay into a fund to provide against accident, illness, or other misfortune. If out of

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work, a state employment agency, well organized and effective, will aid him quickly to find new opportunity. If heredity has been unkind to him, or notwithstanding the best efforts of a watchful paternalistic state his childhood has been spent among evil surroundings, he will be taken in hand, and suitably corrected on a farm colony, should he lapse into vagrant ways.

So in the life of each individual much is foreseen, little is left to chance, and not too much to personal choice.

In the relation of group to group, a like provision and administrative direction dispose and regulate. Domestic and foreign markets are catalogued and described; trade routes, shipping facilities, credit facilities and demands are inventoried. Any important information that the manufacturer or exporter might need in his business, if obtainable at all, can be found in governmental guides or card catalogues as readily as one finds the definition of a word in a dictionary.

Natural resources and human life are conserved; men are drilled for war as prepared for peace. Nothing is neglected, nothing left to chance and, as in the relation of authority to the individual, little is left to choice.

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If in this pen-and-ink sketch of German efficiency there be exaggeration, it is an exaggeration that heightens the effect which the German himself admires. It does not, as he sees it, impair or detract.

But it is a picture that may be compared with one that was painted in vivid colors by a writer whose profound interpretation of social evolution was given to the world a full generation ago. Who can read Herbert Spencer's imperishable description and analysis of militarism and industrialism, viewed respectively as contrasting social types, without perceiving that any account of German social efficiency that could be written within limits of truth would coincide point by point with Spencer's account of the militaristic, regimented state?

It is not to be denied that efficiency of the German model has made and will continue to make a powerful appeal to thoughtful minds in other nations. Militarism devours and destroys; but an unbridled individualism also is notorious for appalling wastes and cruelties of its own.

The achievements that we in America credit to personal initiative, to untrammelled individual enterprise, put a strain upon imagination.

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The industrial world of today, the accumulations of capital, man's power over nature, the substitution of heat energy and electric energy for the toil of human muscles, swift transportation and the network of communication throughout the earth—these are the creations of discoverers, inventors, men of vision and daring, in England, France, America and other countries where the human mind has worked freely, swiftly, with amazing grasp and amazing precision, under liberty.

Yet these achievements have brought with them a new exploitation of the wage-earner, a concentration of wealth, an increasing control of opportunity by a plutocratic minority, a staggering waste of material resources, and a growing menace of discontent. Is it to be wondered at that not only amateur reformers, but disciplined publicists and seasoned statesmen, too, have more and more turned to the state for control and coördination?

Plainly the superiority of one or the other group of efficiency factors is not so far demonstrated. Is it demonstrable? Can any one prove to the satisfaction of all interested parties that the German plan of life on the one hand, or

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the French, English and American plan on the other hand, is on the whole and in the long run beyond question more effective for the realization of economic, moral and intellectual possibilities? Or do we discover here a controversial question that admits of no decisive answer—one over which men may endlessly dispute without result, as the long battlelines of Europe have been fighting in their trenches without important advance on either side?

The obvious reply, in part at least, to this question about the possibility of answering another question, is found in the reflection that, since each of the plans of life here contrasted has great merits and great shortcomings, the development of each so as to incorporate the good features of the other may hold out a maximum hope to mankind. If, for example, America, England and France, maintaining their standards of personal liberty, could yet make use of the administrative organs of government, subject to a democratic control, to correlate, coördinate, and regulate the spontaneous activities of citizens, might we not attain the best results which stand to the credit of authority without sacrificing those that are attainable only under liberty?

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Surely we may believe that such a development is possible; at least, we may believe it long enough to ask whether the German plan or its opposite is more likely to develop into one more comprehensive, offering a larger sum-total of merits and a smaller inventory of defects.

Put in this way, the problem in my judgment is correctly stated, and can no longer be regarded as insoluble.

One day since the war began, a German university docent, arguing with an American student, maintained that Germany is more democratic than the United States. Asked to explain his meaning, he said: "The German government does more things for its people than yours does." To his mind, and, I suspect, to the minds of tens of thousands of his compatriots, democracy means nothing more than "government of the people for the people." Of democracy as defined by Lincoln, namely, "government of the people, for the people and by the people," they appear to have little idea. Unless from the embers and desolation of war that larger conception of democracy shall arise, and transform the Teutonic state, there is seemingly little likelihood that it will be the Prussian plan

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of efficiency organization that will most rapidly approximate the comprehensive scheme; but in the minds of nations that already have accepted government by the people, for the people, all the factors of idea and appreciation are present, and even now are assembled, for the generous expansion of democratic policy. Without forgetting the priceless value of liberty and of individual achievement, the democratic peoples have rapidly been coming to a truer appraisal than they once made of the legitimate functions of law and administration. Can we then doubt that in these peoples centers the hope and the expectation of an efficiency in every way greater than any social efficiency the world has hitherto known?

Not if one final consideration supports the presumption so far established. The larger tasks of civilization are the same in all generations, but the tasks that any one community or group of communities has to perform in preserving and developing civilization are not, under all circumstances and generation after generation, unchanging. Group life, like individual life, proceeds through adaptation and adjustment; and titanic forces, over which man has but little control as yet, are ever creating new

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conditions to which civilizations, no less than the humblest plant and animal organisms, must adapt themselves under penalty of death. Therefore the most crucial of all the questions that can be asked about the relative excellence of the two types of efficiency organization that we are comparing, relates to their modifiability, under slow-changing demand or acute crisis.

So long as the conditions under which an organism lives undergo no change, the reactions of the organism itself are over and over repeated, without change. Ages ago reactions of this kind became correlated with the mechanism of heredity in all the animal species, including man. They are the original nature of man, as of his humbler animal kindred. We are born with them, we do not have to learn them, we call them instincts.

Supplementing his instincts every individual, animal or human, has reactions that he has learned but which, over and over repeated, under conditions practically unchanging, have become nearly as automatic, often as unconscious, as instincts. We have toilsomely learned how to walk and to talk, but usually we are not conscious of the muscular adjustments so painfully acquired.

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But now and then the unexpected happens. Crisis makes havoc with a complex of conditions that had undergone no change, perhaps, for years or for ages. Then habits and instincts fail. By accident or by a wild trial and error, well nigh like a beating of the air, new adjustments may be made, and the life of the individual or of the race may continue. But if such new adjustments are not somehow arrived at, extermination is the fate of those highly perfected instinct and habit mechanisms that were working quite well enough so long as nothing "happened."

In the human race, trial and error have created a wonderful apparatus, supplementing instinct and habit, whereby, with a good deal of skill and a large measure of success, we meet the unexpected and adapt ourselves to it. This mechanism we call intellect, or reason. Thanks to it, the human race comes safely through crisis after crisis, any one of which would have been, or would be, the end of us all if we had only our instincts and our habits to rely on.

Groups of individuals, like individuals singly, live instinctively, or by instincts supplemented by habit, to a great extent. The communities

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of the so-called social insects, the ants and the wasps for example, are only instinctive, or possibly only tropic, forms of coöperation. The villages of beavers are communities maintained and working by means of instinct and habit. Human societies might be creations of instinct and habit only, if they could live on indefinitely under unchanging conditions. Educational systems could by disciplinary methods train every individual to perform certain duties as automatically as a perfect bit of electrical mechanism works. But such a community is static. It would perish at the touch of crisis as surely as the beaver village does when invaded by the hunter with a gun.

Five thousand years of human experience have demonstrated that in crises of the first magnitude, of which wars are the supreme examples, centralized authority, working through a highly coöordinated organization, is vital. From the days of Athens until now successful wars have not been conducted through incontinent resort to recall and referendum. But against this indisputable fact stands a vast accumulation of evidence that over and over again battles and campaigns have been lost through a stupid adherence to tradition, through overtraining,

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through lack of individual discretion and failure of initiative. Even in militarism, then, it seems, where central direction is essential, the traits that are correlated with liberty are not negligible.

If altering conditions do not take the form of acute crisis, but are rather a fairly rapid transformation of circumstance or environment, centralized authority may be of relatively little value; while plasticity of mind, modifiability of habit, the passion to explore and to discover, inventiveness, and individual willingness to take responsibility, are commonly the factors of successful readjustment. The most enlightening example that history affords is the United States. Here a people, inheriting from the Old World a rich legacy of European custom and tradition, has adapted itself, first to the wilderness and the plain, then to state and national political organization under experimental conditions, and now to a stupendous industrial activity, to the most intense and extended urban life that has thus far appeared in the world, and to the responsibility of world influence. There has been no break in continuity, great crises have successfully been met, a responsible, instead of a despotic, centralized con-

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trol has been developed, yet liberty and individual initiative have been preserved.

So once more we arrive at the general conclusion that the efficiency plan which offers a maximum of merits with a minimum of demerits, which above all meets the requirements of our modern world of incessant change, is the one that is naturally evolved by democracy, having the energetic, responsible, inventive individual as its force-generating unit, but creating organization and strengthening central control as the need arises.

Such are the elements, such the ideals, such the efficiency, of the contrasting civilizations now arrayed in mortal conflict. In one or the other, every people of the world places its hope and its faith. Each is meeting, as best it can, the supreme test. We are witnessing the most gigantic, the most fateful trial and error experiment since human life began.

IV

THE RELATION OF THE INDIVIDUAL TO THE STATE

WESTEL W. WILLOUGHBY

To the political philosopher that which gives extraordinary significance to the great struggle now taking place in Europe is that, critically viewed, it exhibits a contest between divergent and, in the main, contradictory conceptions of the nature of the state, of its ends, and of the relation which exists between it and the individuals subject to its authority. Whatever, therefore, may be the practical outcome of the present war, its influence upon political theories is certain to be great. The distinctive differences between the political views officially declared in Germany and those popularly held in England and her Dominions, in France and the United States will have been made clear, and the results to which they lead demonstrated in deed. It will be noticed that I have spoken

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in the one case of the opinions officially held, and in the other of the doctrines popularly current. This difference in characterization would seem to be justified, for the German view, although accepted by practically the entire people, is one which in its source and in the means by which it has been spread, justifies the title which has been given it. These ideals which are described as peculiarly German have in fact been the product of Prussian thought and experience. Inasmuch, however, as they have become controlling throughout the Empire, they may fairly be spoken of as German rather than Prussian. How far these theories may properly be spoken of as characteristic of Austro-Hungarian thought it is not necessary to consider. The Dual Kingdom has had domestic problems and international ambitions which explain her actions independently of a political philosophy such as is needed to give meaning and logical coherence to the actions and utterances of Germany; and it would seem that Germany has utilized the ambitions of her ally to obtain her coöperation in the realization of her own *Weltpolitik*.¹

¹ Austria-Hungary is of course predominantly Roman Catholic, and Rohrbach asserts that there is a natural con-

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Finally, it may be said that in this chapter I shall not attempt by quotations from official and professional writings to demonstrate the correctness of the analysis I shall make of the political conceptions that are and for some years have been dominant in Germany. I believe that I shall make an accurate statement of them, but as to this fact the reader will have to satisfy himself by an examination of the source material, of which an abundance now exists in English translation.

It cannot be said that the ante-bellum political philosophy of England and her allies had been so clearly and definitely worked out as had that of Germany. At any rate, it had not become articulate in the English official and professional mind, and employed as an argument and guide for national and imperial action. But, though not often explicitly uttered, this philosophy has existed in the thought of the people and has directed constitutional practice and international action and, since the outbreak of the war, the English and those who have sympathized with them have been led to search their own political minds and to state more defi-

nitely between Catholicism and the national idea of a State such as Prussia stands for.

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nitely and possibly more emphatically than they have ever done before, their own political ideals. Certain it is that the English have earnestly sought to make evident to all, to themselves as well as to neutrals, that the present war is, at the bottom, a contest between contradictory and rival conceptions of the state and of public right, and that it is one in which all peoples, aside from their immediate territorial or commercial interests, are vitally interested.

The relation of the individual to the state may be viewed in three main aspects. In the first place, there is the question as to the extent to which the welfare of the one is considered as indissolubly bound up in the welfare of the other. In the second place, there is the question as to the extent to which and the manner in which the individual may claim the right or be granted the privilege of determining the form of political government which shall exist, of selecting those who shall operate it, and of controlling what they shall do. In the third place, there is the question as to the sphere of governmental action; that is to say, of the extent to which public control and operation shall be substituted for individual liberty of action. These are distinct topics and need to be sep-

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arately considered; first we shall consider the relation of public and private welfare.

During the distinctly monarchical period in Europe and lasting until the end of the eighteenth century, a theory was held and widely practiced according to which the welfare of the subjects was absolutely subordinated not so much to the welfare of the state as to that of their rulers; or, to put it in another way, the welfare of the state was identified with the personal welfare of its rulers, and the interests of the people subordinated to both. The state together with its people and their property were regarded as the personal property of the ruler to be disposed of as he might see fit. In his "Four Georges" Thackeray tells us how the Duke of Hanover sold to the seignior of Venice sixty-seven hundred of his subjects, of whom only fourteen hundred ever saw their homes again, the proceeds of the sale being devoted to the satisfaction of the royal duke's sensual pleasures. "Round all that Royal splendor," writes Thackeray, "lies a nation enslaved and ruined; there are people robbed of their rights—communities laid waste—faith, justice, commerce trampled upon and well-nigh destroyed—nay, in the very center of Royalty itself, what

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horrible stains of meanness, crime and shame! It is but to a silly harlot that some of the noblest gentlemen and some of the proudest women in the world are bowing down; it is the price of a miserable province that the King ties in diamonds round his mistress' white neck. In the first half of the last [eighteenth] century, I say, *this is going on all Europe over.*"

It might seem that a political practice such as this might have been based upon postulates that denied the possession by the people of moral rights to consideration, or placed the conduct of monarchs outside the realm of ordinary morality. It is quite clear, however, that, despite the general acceptance of the doctrines of Machiavelli, the argument in behalf of royal absolutism and selfishness was not stated in terms as bald as these. It is true that the rulers, when they took thought at all, regarded themselves as endowed with overlordship by divine providence, or, at least, by the working out of historical processes beyond direct human control, and that, as thus circumstanced, they regarded themselves as the absolute owners of sovereignty as of a piece of property, and that this ownership carried with it full rights of use and disposition of their subjects

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and of all that they might possess. This comprehensive right the rulers claimed as inhering and original in themselves, and not as obtained by any sort of gift or grant, real or constructive, from those whom they ruled. At the same time, however, it would be a mistake, I think, to hold that the rulers in their dealings with their subjects felt themselves free from all the moral restraints which humanity and sympathy impose. But it is clear that the moral obligations which they recognized were those of generosity and charity rather than those of justice which imply the possession of rights by those to be benefited by them.

As rationalizing or at least as explaining the acceptance of this theory which regarded the right of rulership as a piece of property, and as giving to the monarch what amounted to an ownership of his subjects, including their goods, it is to be remembered that it was not until the early part of the nineteenth century that the principle and practice disappeared from Europe of regarding human beings as objects that might be treated as chattels or appurtenances of the soil. And indeed the entire feudal system out of which the monarchical state developed was based upon the idea that political jurisdiction

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arises out of ownership—ownership of the land.

It would seem then that the rights claimed and exercised by the eighteenth-century monarchs were not different in essential nature from those claimed at the present time by holders of private property who regard the institution of private property as devoid of social or political connotations, and, therefore, regard themselves as vested with rights of use and disposition, the free exercise of which may not be interfered with except under very special circumstances. Thus, as we know, there are at the present time many owners of large fortunes the possession of which has come to them by accident of descent, by the favoring operation of law, or by the happy working of economic forces, who feel themselves free to use their wealth, if they see fit, for their selfish welfare, and, as employers of labor, consider that those who work for them have no moral claim, and certainly no legal claim, beyond such as is founded upon their contracts of employment, that anything beyond this which they may do for the benefit of those subject to their economic rule is an act of charity or generosity rather than an obligation of distributive justice.

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This proprietary conception of political rulership has now happily disappeared from the thought of modern civilized peoples. No longer do the rulers of these nations regard their lands and their subjects as objects of ownership which may be used for the advancement of purely dynastic interests or the satisfaction of purely selfish pleasures. Instead they feel that their powers are to be exercised for the benefit of the state over which they rule. Whether or not the welfare of this political entity termed the state is regarded as necessarily including the welfare of its citizens, is a question presently to be considered.

In a second respect, also, the eighteenth-century conception of monarchy has been profoundly modified. No longer is it held that the exercise of political authority should be to any considerable extent subject to the discretionary will of those who possess it. Upon the contrary, in all its manifestations it is felt that political power should be exercised only in accordance with forms and within the limits which existing laws establish. This is the essential meaning of constitutionalism, and under its régime in the modern state the individual is protected against oppression on the part of his

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rulers as regards at least his ordinary rights of person and property. Whether or not he is protected, and whether or not it is feasible under any workable form of government so to narrow the discretionary powers of those in authority as to protect him against the adoption by his rulers of broad public policies, especially in matters of war and peace, which will be detrimental to his wishes and welfare, is a problem of administrative politics which cannot be considered in the space assigned to this chapter. It may be pointed out, however, that thus far, not even in the most democratically and constitutionally organized states, has it been found feasible to subject the conduct of foreign affairs to a popular control beyond that of censuring a policy to which the state has already been committed by those in authority. And even this right of censure in practice proves of very slight value in cases where war has been precipitated or rendered imminent, and thus the prestige or honor of the nation apparently involved.

It has been said that the essence of constitutionalism consists in the fact that public authority has its extent and modes of operation controlled by law. When we ask ourselves whence

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came these legal limitations upon the exercise of sovereignty, who control their interpretation, and, in the last resort, determine their continuation, we reach the first point at which an important difference distinguishes the constitutional jurisprudence of England, France and the United States, from that of Germany and Austria, and especially from that of the Kingdom of Prussia.

The political philosophy of England since 1688 at least, of France since 1789, and of the United States since its foundation, is squarely committed to the proposition that all political authority comes from the people, and is not vested in the rulers as an original and inherent right.¹ This is not the assertion of that

¹ The constitution of France, if its fundamental laws can be regarded as constituting a complete instrument of government, does not contain an explicit statement of popular sovereignty, but the principle certainly finds acceptance in her constitutional jurisprudence. Perhaps the clearest statement of the doctrine in formal terms is to be found in the constitution of Belgium, adopted in 1831, in which the following declarations occur: "Art. 25. All powers emanate from the people. They shall be exercised in the manner established by the Constitution. . . . Art. 29. The executive power is vested in the King, subject to the regulations of the Constitution. . . . Art. 129. No law, ordinance, or regulation of the general, provincial, or communal gov-

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merely moral doctrine that the people have a revolutionary right to resist political oppression, and that thus, in a sense, all just governments may be said to derive their right to be from the consent of the governed. This, indeed, is asserted, but the doctrine is much more than this. It includes the constitutional principle that, as a *legal* proposition, the rulers possess only delegated authority, and the legal limitations which circumscribe their official acts are not self-set, but are imposed by laws which draw their force from the popular will as authoritatively expressed at the polls, in conventions, or in representative legislative bodies.

As opposed to this fundamental constitutional doctrine, the monarchical theory of continental Europe is that the right of political rulership comes from above. It inheres in, and is an original right of, the monarch, and, as such, in its exercise is ultimately subject only to the will of him who possesses it. It is true that Austria-Hungary, and the German Empire and

ernment shall be obligatory until after having been published in the manner prescribed by law. Art. 130. The Constitution shall not be suspended, either in whole or in part."

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its individual states, including Prussia, operate under formal written constitutions, but these instruments of government are regarded as themselves the creations of the royal or imperial will.¹ It thus results that not only may the constitutions be changed by an exercise of the royal or imperial will, but that the sovereign is regarded not as the exerciser of enumerated delegated powers, but as the possessor of sovereign authority free from legal restraint in all matters in regard to which he has not seen fit to fix self-set limitations. This is the constitutional theory, whatever may have been the popular pressure which, historically speaking, may have led to the promulgation of the written constitutions.

It further follows from this constitutional conception that the part played by the elected representatives of the people in the enactment of laws and in the adoption of public policies is

¹ It is not necessary in this discussion to consider the question whether in the German Empire the sovereign power is vested in the Bundesrath rather than in the Emperor. The fact that the king of Prussia is, *ex officio*, the German emperor, and that as king he controls the Prussian delegates which in turn control the Bundesrath, renders largely academic, for the purpose of this paper at least, the constitutional status of the emperor in the Empire.

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one quite different from that which is played in countries whose constitutional systems are founded upon a democratic basis. According to the doctrine held by German jurists the people through their representatives participate not in the creation of law, but in the determination of the contents of a proposition which is to be submitted to the sovereign for the exercise of his supreme legislative will. Essentially speaking, then, the situation is this: The ruler, as a matter of grace and expediency, is pleased to learn the wishes of his people regarding a proposition of law or the adoption of a public policy, and to obtain such information regarding its wisdom as a representative chamber is able to provide; and these wishes and this information he necessarily takes into consideration in determining the exercise of his own sovereign will. But never does he regard these factors as controlling in any affirmative sense. So long as the constitution which he has promulgated exists, he agrees not to act contrary to its provisions with regard to the matters which are therein specified. But never for a moment does the German ruler admit himself to be under a legal or even a moral or political obligation to give effect to an expression of the will of the

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representatives of the people of which he disapproves.

It is this relationship in which the king stands to his popularly elected legislative chambers which interprets many features of German public life which seem strange to English and American observers. It explains in the first place the fact that it is considered a wholly justifiable practice for the king and his personal advisers—"the Government" as they are called—to control so far as they are able not only the elections of members to the representative body, but by rewards and other forms of political pressure to influence the votes of the representatives after their election. It explains furthermore the policy of the "Government" in playing off one party or faction against another and thus through the *bloc* system of obtaining a majority vote in favor of action which the Government desires. It explains also the fact that not even the first steps have been taken in Germany towards the development of responsible parliamentary government whether of the English or the French type. It is indeed recognized by all of their publicists that such a system is absolutely incompatible with the German conception of monarchical power. It is

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true that irritation, at times intense in character, has been felt and expressed against the assumption of the emperor of the right to direct and control foreign affairs by his own personal acts and words. But this, however, has not been because of any derogation of the power of the representatives of the people or of a ministry which they support, but because, under the imperial constitution, he is required to act through his chancellor, who in turn is supposed to exercise his power in and through the Bundesrath, which body in turn represents the "Governments" of the several states of the Empire. Since the downfall of Bismarck, and especially since the retirement of his successor, Caprivi, the emperor has selected as his chancellor and president of the Prussian Ministerium men who have been willing in very large measure to subordinate their own wills and judgments to that of their imperial master, and thus the personal influence of the emperor has been very great, especially in foreign affairs. While this has been at times disapproved of, there has never been any movement, seriously pressed, to subject his will to the control of the popularly elected branch of the imperial parliament.

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The monarchical conception in Germany explains still further the right which is freely exercised by the "Government" of dissolving the elected chamber whenever other methods of obtaining its support for a government measure have failed; and, it may be said that so powerful is the official influence that may be exerted in the ensuing election that in almost all cases the result is that the newly chosen chamber is of the desired political complexion. Von Bülow in his "Imperial Germany" complains that the Germans lack political ability by which, as he explains, they show a disposition to form a multitude of minor parties based not on broad public principles but upon narrow, particularistic, and personal interests. It would seem, however, that this failure of two or more strong political parties to develop has been due in no small measure to the attitude which the "Government" assumes toward all political parties. The one strong political party—the Social Democrats—which has been formed in German imperial politics, is strong in numbers rather than in influence, and, moreover, occupies a very peculiar position, for, as von Bülow frankly says, it has, from the standpoint of the "Government," no right to exist. He flatly

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stigmatizes its members as enemies of the German State—enemies for the overthrow of whom any means, including force when possible, may rightfully be employed. As to the reasons why the Social Democrats are held in such peculiar detestation by the "Government" I shall not have space to speak, but shortly stated it may be said that it is not so much their legislative program which is disapproved of as it is that their fundamental political doctrines are in conflict with the monarchical conception of the Empire and of Prussia. This is made abundantly clear by reading between the lines of von Bülow's book.

Finally, it may be said that the monarchical conception in Germany explains the open and avowed measures which are taken by the ruling authorities to control the formation and expression of a popular opinion with regard to matters of public policy. Not only is there kept a strict control over unofficial expressions in the press, as the numerous prosecutions for *lèse majesté* testify, but, and more especially, governmentally inspired articles are constantly published in the leading newspapers in order that the people shall be led to take a favorable view regarding public

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policies which are approved by the "Government."

It had not been my intention to encumber this essay with quotations, but the point with which I am now concerned is of an importance that warrants me, in order to make it clear, in giving the words of Dr. Hasbach, the author of an important work entitled "Die Moderne Demokratie," published in 1912. In an article published during the present year¹ in which he states more specifically the function which public opinion plays in the modern constitutional state, Dr. Hasbach says: "Who forms public opinion? In democracy and parliamentary monarchy [England] it is created exclusively by parties; in constitutional monarchy [e. g., Germany], on the other hand, by parties and the Government. For a full understanding of this important difference we first must clearly distinguish between parliamentary and constitutional monarchy. In parliamentary monarchy the influence of the monarch is as a matter of fact so far suppressed that here, too, the stronger party opinion determines the destiny of the country, while in the constitutional mon-

¹ *The American Political Science Review*, Feb., 1915. "The Essence of Democracy."

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archy the prince as joint possessor of the legislative power, and as the possessor of the executive, exercises a considerable influence upon the formation of public opinion. The ministers nominated by him introduce bills into parliament; they defend them against the criticism of representatives whom they are compelled to face; the prince addresses messages to parliament; he can dissolve it and thereby take a position on definite questions; official newspapers defend the attitude of the government; party organs which approve the policy of the government support it or open their columns to it; the government seeks to influence representatives, etc."

"These are methods," Dr. Hasbach continues, "some of which are also understood in America; in America the President addresses messages to Congress; presidents and governors attempt to influence the legislative power; there are also newspapers which support the President and governors against the legislative assemblies if they consider the former's policies advantageous." This is true, but the important fact is that in America the president and the governors of the States are themselves the leaders of their parties and are representa-

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tives of the people. The stronger public opinion which thus finds expression in State action is therefore a popular opinion and is not one which is largely determined by the judgment of persons who are not responsible to the people and who only in a purely fictitious sense can be said to represent them.

The refusal upon the part of the "Government" in Germany to permit the popular will as represented in the legislature to exert a controlling influence in the determination of public policies is of course not predicated solely or even in major part upon the purely technical and legal premise that sovereignty finds its *fons et origo* in the monarch. Nor, as we have already seen, is it justified by any claim that political rulership need not necessarily be for the benefit of the state or its people. Rather, it would seem to be founded upon a conviction that the problem of government is, by its very nature, one, the satisfactory solution of which cannot be secured by surrendering a controlling influence to the people. And, in turn, the reason why the government of the state is held to be of this essentially unpopular or undemocratic character would seem to be compounded of two convictions.

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The first of these beliefs is that, as a practical administrative proposition, the problem of government is one which requires the exercise of faculties of judgment and of executive oversight and control which it is not possible for an electorate, however enlightened and well disposed, to possess and exercise. The second belief, which would seem to have at least a certain amount of currency even if it cannot be said to be generally held, is that the ultimate end for the realization of which the state exists is something else and higher than the welfare of the citizens as individuals, whether distributively or collectively considered.

Upon the face of it, the proposition that the efficient carrying on of the national government of a state of any considerable size is an administrative task, in the performance of which it is not practicable to admit any considerable amount of democratic participation or control, is not an unreasonable one, and can be met only upon a basis of fact. Certain it is that, in its actual operation, German governmental forms and administrative methods have produced results which, from the standpoint of present administrative efficiency, are superior to those which any other government of the

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world has been able to produce. Not only has the social and industrial prosperity of the people been wonderfully advanced, and the general level of education raised to a high degree, but a state has been created which is of tremendous military strength. This much must be admitted. The only way, therefore, in which this exhibition of the efficiency of an undemocratically organized government can be weakened is by what lawyers call "confession and avoidance," namely, by admitting the claims that are made and avoiding the conclusion attempted to be drawn from them that this type of political control is thus shown to be, if not the best possible, at least superior to the more democratic forms which are exhibited in other countries.

The avoidance of this conclusion is based upon the assertion that the state power, the industrial development, the social welfare, and the high level of education, especially upon its scientific side, which Germany has secured, lack certain elements of national greatness which are more important than those which have been obtained, and that, beneath its surface prosperity, German national life contains potentialities of evil which need only time and oppor-

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tunity to be manifested. Thus the critics of *deutsche Kultur* have claimed that the successes which have been the product of the German constitutional and administrative system have been of a materialistic character and have lacked true ethical and spiritual elements—that right has been sacrificed to might, political liberty to state authority, and individual spontaneity and freedom to organized efficiency; with a result, as is claimed, that state action has thrown off the limitations which ordinary morality imposes, and the entire mind of the people has been corrupted; and that with their pride swollen with a contemplation of the material success which they have gained, they have lost respect for, and appreciation of, the value of civilization and political ideals which differ from their own. Misled by this distorted perspective, it is charged that the Germans have adopted a *Weltpolitik* which has brought them into necessary conflict with other nations and made inevitable the terrible conflict which is now devastating almost all Europe.

A consideration of the issues which are thus drawn between the *Kultur* of Germany and that of other nations cannot, of course, be here undertaken. An adequate treatment of them

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would involve what would practically be a critical examination of the civilization of today. The statement does, however, seem to be justified that the national ideals of which I have spoken have, so far as they have been held, tended to provoke armed conflict with the other great powers. It is quite explainable and, in very large measure, reasonable that any great people should feel a conviction as to the superiority of their own civilization over that of other peoples; but this does not necessarily carry with it a belief that it is desirable, or ethical, or even possible, forcibly to impose one's own cultural ideals upon other nations which are reluctant to receive them. If, however, we may accept as representative the utterances of certain of their leading men, the Germans have felt a conviction not only that their own *Kultur* is inherently superior to that of any other race, but that its super-excellence is so great that its benefits must ultimately be recognized even by those upon whom it has been imposed by force operating in its materially most devastating form. Finally, one other characteristic of this German conception of *Kultur* needs to be mentioned, for it has a direct bearing upon the relation of the individual to the state. This

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characteristic is that *Kultur* finds its apotheosis in the state—in the nation as politically organized. In other words, this *Kultur* is conceived of as something more than a civilization which is the summation of the culture of individuals. It is the nationally organized genius of the people—a genius which finds its highest end and ultimate manifestation in the power and purposes of the state. And thus we are brought to the second conviction which has been earlier spoken of, namely, that the ultimate end for the realization of which the state exists is something else and higher than the welfare of the citizens as individuals, whether distributively or collectively considered.

This theory to which we now turn is one the statement of which in formal terms is not an easy task, for like all mystical conceptions it eludes exact definition. Furthermore, it would seem to be rather an element which pervades and influences German political philosophy than an explicit premise upon which an argument is based. It is, furthermore, an element which undoubtedly exercises an influence in the feelings of patriotism of all peoples, but would seem to be especially powerful in German national thought.

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The German nation is conceived of as an ethnic unity distinguished from other ethnic units by a characteristic genius which finds its expression in *die deutsche Kultur*. This *Kultur*, however, as we have already pointed out, finds its best expression in and through the state. If then, it is argued, this *Kultur*, the super-excellence of which is assumed, is to find its fullest realization, two things are necessary. First, as far as possible, all persons who have in their veins a sufficient amount of German blood to entitle them to be regarded as inheritors of the German genius should be brought within the control of the state through which the spiritual inheritance which they potentially possess may find objective realization. Secondly, the German nation thus politically united must, through the strength of its state organization, exercise throughout the world that influence which is its just due. "Der Deutsche Gedanke in der Welt" is the title which Rohrbach gives to his well-known book in which he argues for the widest possible extension of German influence. *Weltmach oder Niederganz* is the alternative which Bernhardt places before the eyes of his countrymen, by the first of which terms, as he has later explained,

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he means not world dominion but world influence.

It will thus be seen that a mystical or *geistliche* significance is given to the conception of both the nation and the state. The state is the German nation viewed in a certain aspect—as organized for the realization of the function which Providence has assigned to it in the working out of the development of humanity and of world civilization. It has an end of its own which cannot be stated in the terms of the welfare of the individuals who at any time happen to be under its control. Its immediate aim is its own power, for without this power it cannot realize its ultimate ends, and these ultimate ends, it is evident, are so transcendent and super-personal in character that the morality of the means that may be employed for their attainment cannot be subjected to the criteria which govern the ordinary conduct of individuals. Furthermore, it is clear that when thus stated the end of the state is one that requires that all individual and community interests should be subordinated to it.

It is not the purpose of this paper to consider the validity of the assumptions made in the theories which have been outlined. Its aim has

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been simply one of orientation. If space had allowed, however, the author would have liked to exhibit the strong infusion of Hegelianism which, in his opinion, it contains, and, further, to show how the political transcendentalism of Hegel seemed to find objective demonstration in the history of Germany in the nineteenth century. If *die Weltgeschichte ist das Weltgericht*, it can be appreciated how the Germans were led to think that the Prussian *Realpolitik* had justified itself.

It cannot be denied that the German doctrine which has been outlined is one which possesses elements of lofty idealism. It rests, however, upon assumptions which cannot be proved, and leads to results which must be deplored. The patriotism which it exacts is a false one. It demands sacrifices for which no real return is made; it is predicated upon premises which, if adopted by all nations, each asserting their own excellence, would render impossible the peaceful adjustment of conflicting interests and the advancement of civilization through the peaceful coöperation of the nations of the world.

We turn now to the third phase of the relation of the individual to the state—a phase which will undoubtedly be greatly influenced by

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the present war, whatever its outcome. I speak now of the extent of governmental control. The exigencies of war have forced all the nations engaged in it to extend in many directions, social as well as industrial, the spheres of their governmental regulation. Where, upon the whole, good results are obtained from this increase in state action, it may be expected that the régime will, in many instances at least, be continued after peace is established. But, more important than this, Germany, whether she is decisively defeated or not, will certainly have given to the world an impressive exhibition of the results that are to be obtained from an administrative system efficiently organized and operated. There can be no question but that at the present time, in England as well as the United States, the *laissez faire* doctrine, as an *a priori* principle, has lost its force, and that that which especially operates as a deterrence to an extension of the activities of the state, whether by way of regulation or direct operation, is the fear that honest and efficient public administration cannot be secured. If then, as is very likely to be the case, the nations of the world should take to heart the lesson which Germany, and especially Prussia, has so impressively

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taught them, and be led to improve their administrative systems, we may be sure that this will be followed by an increase in the control intrusted to those systems. How far this extension of the activities of government will be carried only the future can reveal.

V

THE WAR AND INTERNATIONAL LAW

GEORGE GRAFTON WILSON

International law is not dead. Those who have made such affirmations have drawn their conclusions too hastily. Far from being dead, the subject is receiving a recognition which is a striking tribute to its vitality. Apparently not one of the warring nations regards international law as even in a weakened condition.

The attempts of the states at war to put themselves right in the eyes of the world and to cite precedents in international law in support of their acts is a comparatively new phenomenon in the history of conflict among states. The old idea that the state could do no wrong seems now to be open to question, and it is even affirmed that kings *can* do wrong and that no ruler can now affirm, "I am the state." The right of a state to work its will regardless of

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other states is not admitted, even though the aggressor may be older, more powerful, or more progressive. Some are questioning the old maxim that "a higher civilization may rightfully supplant a lower." Indeed, there does not at present seem to be any satisfactory criterion for measuring what is called civilization unless it be, as some claim, the military power. A careful analysis seems to cast more than a doubt upon this basis of standardization. In the exercise of sovereignty it must be recognized that there are principles governing the conduct of states and that these principles cannot be lightly disregarded.

The flood of printed material that has poured from the governmental and other presses in an attempt to justify the action of the several states now engaged in testing by arms some of their ideas of civilization is enormous. There is no escaping from these arguments. They are inclosed in letters from old friends on either side. They are furnished by unsubsidized and subsidized representatives and patriots who plead the causes of their respective states. Why should this be if there exist no standards or principles by which these actions should be judged? The question is answered in these

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documents themselves by the frank acknowledgment that the aim of the publication is to show wherein the state publishing the document has observed the law of nations and wherein its opponent has set it aside. White books, gray books, orange books, yellow books, and others in the chromatic range have appeared. Patriotic citizens of almost every walk of life and grade of ability have added to the bulk of material until the mass is appalling to one who seeks the real facts.

The general testimony of each that its own government "sought only peace," causes one to wonder by what mysterious power the aims of those in authority were so manifestly perverted. In general, international law favors the maintenance of peace and apparently each state just now desires to have on its side the utmost possible support for its method in the attempt to maintain the peace of the world. Some of the states which seem not to have found good grounds for going to war before actually engaging in hostilities have endeavored to discover them afterward. Whether these will stand the test later, remains to be seen. The important fact is, however, that there is a clear attempt to bring the action within the range

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of those which international law justifies and supports.

It is worthy of notice also that the endeavor to conform to international law as set forth by international conferences and congresses has been universal. The third convention of the Hague Conference of 1907 provides that "the contracting parties recognize that hostilities between them must not commence without a previous and unequivocal warning, which shall take the form either of a reasoned declaration of war or of an ultimatum with a conditional declaration of war." In spite of the fact that the general practice for two hundred years has been in an overwhelming majority of cases contrary to this convention, even under greatest strain, in 1914, the convention was followed. The excuse could have been advanced that as Servia had not ratified this convention, other powers might be relieved of some of its obligations, but seemingly each wished to conform to the latest pronouncement upon the law relative to the commencement of hostilities.

How remarkable was this recognition of the Convention of 1907 relative to the opening of hostilities may be seen if the practice of states during the last two centuries be reviewed. Dur-

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ing this period there have been about one hundred and forty wars. Of course, there are not included the periodical revolutions of some of the states of Central and South America. In all the wars between 1700 and 1914 only ten seem to have received formal sanction by declaration, though a few were informally declared and only six of the declarations might properly be called preliminary. This was a wide departure from the practice of those ages which some have been pleased to call "dark" when it was held that an honorable foe would not strike without previous notice. Even in the more ancient days it was a custom to enter upon hostilities with a foreign state only after a ceremonial, often of the most elaborate nature, though the religious part seems sometimes to have been to justify the war before the gods rather than before men. The United States in 1898 by Act of Congress declared on April 25 that war had existed since April 21. In the present great war where there is a network of declarations of state against state, these have been uniformly prior to the opening of hostilities and frequently detailed, sometimes indicating not merely the day upon which war would begin but also the hour and minute. Thus in

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the opening of the war there was in 1914 a respect for conventional forms which shows in a marked degree the influence of the work of the Hague conferences and for legal purposes gives a definiteness to the relations consequent upon the state of war which has existed in few of the wars of modern times.

As the third of the Hague conventions of 1907 has been observed as shown in the declarations of war in 1914, so the fourth of these conventions has been embodied in the laws of nearly all the belligerents. In cases in which this convention has not been thus embodied, the corresponding convention of 1899 has usually served a like purpose. These conventions relate to the laws and customs of war on land. These rules were detailed and regarded as showing the advanced ideas of the states of the world as to the proper conduct of war if it should unfortunately arise. Definite and formal statement of the rules under which war shall be conducted is in itself comparatively modern, the first great set of such rules issuing from the War Department of the United States scarcely fifty years ago and commonly known as Lieber's Code. Subsequent rules have been frankly based upon Lieber's Code. These rules

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of 1899 and 1907 are tributes to the fairmindedness of the early codifier. Is it not in itself a marked advance that the old motto that "all is fair in war" is no longer even current? A careful review of these Hague rules and testing of action of the belligerents thereby show a closer observance of these rules than is generally believed. Each belligerent party has accused its opponent of violation or of failure to observe these rules. These accusations have been widely published and have received credence usually according to preconceived predilections of the reader. It is reasonable to suppose that there have been acts both in the eastern and in the western theaters of contest which would not conform to the accepted laws of war. Certainly the invading armies of both parties have been accused of such acts and of course it would be the invading army which would ordinarily be the only one generally guilty of, or having much reason for, such acts. The relations between the respective combatant forces seem to have been generally in accord with law. The investigation of the treatment of prisoners by a representative of the United States government showed a condition usually commended. The advance in this respect since the

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days of the American Civil War is marked.

The instruments of warfare have usually been such as are approved by law. It is true that the guns have been of a larger caliber and of a longer range than those previously used. In the huge siege guns Germany has found a weapon of offense which made advance against strongly fortified positions possible in the early days of the war. The use of such guns made it necessary for the opponents of Germany to use other methods of defense than those originally planned, but the legality of the use of big guns on land and sea is unquestioned. There was a proposition in the Conference at The Hague that limitation of armaments begin by restricting the effectiveness of guns to the standard of the most effective then constructed. There was, however, such reluctance on the part of the states supposed to have the most effective guns, to furnish data upon the subject, that the proposition failed. The effectivity of the gun is not always a matter to be determined by its caliber, but is often dependent upon the "man behind the gun."

While the size and destructiveness of the gun may not be, up to this time, subject to limitation, there are restrictions upon the use of

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certain projectiles which cause unnecessary suffering. Small explosive bullets, copper bullets, etc., are prohibited and such prohibition seems to have been respected. Accusations in regard to the use of dum-dum bullets have been made by both belligerent parties. It is said that one of the belligerents was about to submit as evidence of his opponent's guilt certain dum-dum bullets, when a neutral expert on projectiles called attention to the fact that these bullets about to be submitted were manufactured only in the state bringing the accusation, and that they would not fit any of the opponents' guns. This accusation was allowed to drop. There are in recent times many instances where it is claimed that the uniform of an enemy is used to deceive, but when the aim in modern warfare is to avoid color which will be conspicuous, to eliminate brass buttons and shining helmets, and in many instances even to use no flag, it is easy to understand that cases of mistaken identity in khaki uniforms may easily occur.

Aërial bombardment has also been a matter on which considerable difference of opinion has been expressed. The laws of land upon this subject are brief and state "the attack or bombardment, by any means whatever, of towns,

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villages, habitations or buildings which are not defended is forbidden." The rules also provide that in making an attack the commander should do all he can to warn the authorities. Manifestly if the attack is to be a surprise this injunction would not be obligatory and it was so understood by those negotiating the convention. It is also exceedingly difficult for an airman to determine in every instance whether a town is defended and there is thus far no clear definition of defense. Only sixteen of the forty-four states represented at the second Hague conference have signed the convention prohibiting the discharge of projectiles from aircraft and Austria, France, Germany and Russia are not among these. Indeed aërial warfare is a type so modern that its possibilities and proper regulation can scarcely be predicated.

Here it should be borne in mind that new means of warfare have from earliest times been opposed by the party not possessing them. Gunpowder was at one time the subject of denunciation, cannons were condemned, and torpedoes were regarded as the creation of devilish ingenuity. There has been opposition to the use of shells which diffuse gases and put the enemy *hors de combat*. The late Admiral

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Mahan pointed out that giving an enemy gas which would not cause unnecessary suffering and then capturing him might be more humane than mangling him with projectiles before making him a prisoner.

The laws of war of all countries regard non-combatants who take up arms and commit hostilities, except as *levées en masse*, as liable to punishment for illegitimate acts. The nature of the punishment will be determined by the exigencies. It is true that the Hague rules provide against collective punishment for the acts of an individual, but the report of the commission which drew up this article provides that it shall be without "prejudice to the question of reprisals." Reprisals are usually acts of retaliation for illegitimate acts of warfare and are therefore usually beyond the range of law. These acts must be judged accordingly and must not be advanced to show that the Hague conventions have been violated. These conventions have been observed far more strictly than one could have anticipated in 1907 had the spectacle of a general European war been prophesied. The observance of the Hague conventions has been in the main observance of conventions which have been formally ratified.

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More remarkable in some respects is the general observance of the Declaration of London of 1909 which had not been ratified by any of the belligerents. It is true that Great Britain has added very largely to the list of articles contraband of war under the Declaration and in this France and Russia have followed. Great Britain has also made extensions in the range of destination which may be regarded as hostile, thus making vessels more generally liable to capture. Germany and Austria-Hungary have, however, kept fairly close to the Declaration in their published regulations and Japan has almost completely embodied its principles. There seems, however, at this time (February 20, 1915) a tendency to undue extension of the list of contraband to articles that are of such indirect use in war that the list would hardly have received the sanction of Grotius three hundred years ago.

Recently negotiations have been in progress in regard to the establishing of a war zone about Great Britain and in regard to the use of neutral flags by British merchant vessels. Each belligerent seems to be endeavoring to the utmost to extend the pressure upon his opponent and to save himself as far as possible

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without too great risk of complications with neutrals. In absence of complete information as to whether the British government gave orders to use the American or other neutral flags and in absence of information as to the method in which Germany is to apply her proclamation in regard to the war zone, it may be said that there is no law against the use of a neutral flag by a belligerent merchant vessel though the governmental order for such use, if such were given, may be questionable. The United States has generally disapproved of the use of false colors in the time of war and the prohibition would have much support in the mind of those who believe in respect for a national flag.

It may also be said that the proclamation of war areas or war zones is not unknown in international relations. Such areas were proclaimed by Japan for defensive purposes during the Russo-Japanese War of 1904-5 and the entrance to these areas was regulated or prohibited.

The international law embodied in conventions, declarations, and other agreements, considering the area of the present hostilities, has, with comparatively few exceptions, been a matter of careful concern on the part of the bel-

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ligerents. International law which is not thus embodied has also received attention and belligerents have endeavored to justify many acts by appeal to its principles, and in some instances the belligerents have frankly admitted violations of the law and their responsibility for such acts. Of course, many instances must await the issue of the conflict for determination of incidence and amount of liability.

Not alone the belligerents, but neutrals also have shown a disposition to observe their international obligations. In some cases neutrals seem to have leaned over backward in an endeavor to stand erect. In some states desirous of maintaining neutrality the exportation of articles, ordinarily regular objects of commerce, has been prohibited. The articles embargoed by neutral European countries for various reasons number more than three hundred. This list is varied, from acetic acid to zinc. It includes armor plates, arms, etc., by nature absolute contraband, and dogs in Switzerland, herring meal and reindeer in Norway, skees and sticks in Sweden, etc.

Some neutral states endeavored in the early days of the war to prevent the making of loans

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by private persons to belligerent governments, but the impracticability of such measures was well understood at The Hague in 1907, and such obligations were not imposed on neutral governments even in form. The obligation of a neutral government itself to refrain from making loans to belligerents was clearly and positively acknowledged. It was plain that while a neutral government might control and be responsible for its own acts, it could not control or be responsible for all the acts of its subjects. A banker, particularly if he had branches in other countries, could transfer money in such fashion that its ultimate destination could not be known to the authorities of the state from which the transfer was made.

The United States' proclamation of neutrality is extremely comprehensive, though it does not as some have asserted forbid the expression of any except neutral opinions within the jurisdiction of the United States. On the other hand, it distinctly announces that it does not propose to interfere "with the free expression of opinion and sympathy," provided this does not take certain material forms, as for example, the augmenting of the force of a belligerent vessel of war. The regulations for securing the mainte-

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nance of the neutrality of the Panama Canal are even more detailed.

There are, moreover, many new factors in this war which did not exist or were not fully developed in earlier wars, such as mines, submarine boats, radiotelegraph, aircraft, etc. There was not a satisfactory agreement upon the use of submarine mines at the Hague Conference in 1907. The use of such mines in the Russo-Japanese War in 1904-5 had called the attention of the world to the dangers of the unrestricted laying of mines. In the conflicting claims of belligerents in the present war one fact stands out clearly, each belligerent desires that his action be regarded as within the law, or else justified as a reprisal to meet a violation of law by his opponent.

As to the use of submarine boats, there has been and is no well-defined law. This means of warfare is comparatively new and rules have naturally not yet developed for its regulation. That Great Britain had anticipated that it might be used against merchant vessels is indicated in the already developed policy of arming such vessels, "for defense," as she announced. It is often difficult to determine the difference in fact between offense and defense.

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The simple fact that one strikes first is not sufficient evidence. The claim that the submarine boat is a secret means of war is not a valid argument against its use. This argument has been advanced against other means of war but never long and seriously entertained. It is true that the submarine may prey in a dangerous manner upon the private property of a belligerent, yet at the Hague Conference of 1907 France, Great Britain, Japan and Russia were among the eleven states voting against the immunity from capture of private property at sea and Austria and Germany supported the American proposition for exemption. The vote stood twenty-one votes for, eleven against and one state not voting.

The use of the radiotelegraph has been put under very strict control in the United States, thus formulating as it were a set of rules which may later become generally accepted. Certainly the rules have been admitted by the belligerents and to this extent have become international.

The rules in regard to the use of aircraft were not formulated at the beginning of the war, but in practice there has been care to avoid passing through the air above neutral territory.

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Neutrals have also seemed inclined to maintain their rights to jurisdiction in the air above their territory. Aircraft have been placed in the category of contraband and no objection has been raised.

The wide discussion upon the sinking of enemy merchant vessels at sea has shown a general tendency to look for support for the action in international precedents. These have not been difficult to find. The contention that neutral vessels may be sunk if they cannot conveniently be brought to a prize court is one which it is more difficult to sustain, though there is support for this in the decisions of some courts and in some prize regulations. These are questions upon which the International Naval Conference in 1908-9 found much difference of opinion. The law upon the subject cannot be said to be settled.

There have unquestionably been acts upon the part of belligerents, if one can trust the reports that each makes in regard to the opponent, which were not merely not sanctioned by international law, or not within the provisions of international law, but were contrary to international law. The newspapers of one side accuse the invading party of the other of atroci-

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ties. It is natural that this should be the case as the invading party would be obliged to act in a more rigorous manner than the party on the defensive within his own territory. This might lead to, or be accompanied by, acts in excess of, or contrary to, the acts permissible under the rules of international law.

Here again, however, the fact that the injured belligerent hastens to bring these actions to public notice as being in violation of international usage and meriting general condemnation is an evidence of the force which the law has acquired.

It has not been the purpose of these remarks to justify the action of any one of the belligerents nor to hold any belligerent up for condemnation. There seem to have been some acts upon the part of each of the belligerent parties which are open to question and which must be reserved for a later judgment. Such conduct has been common in all wars. This war, involving so many states and fought over an area so great, affords more opportunity for acts not in accord with international law. The change in the means of warfare, the introduction of new instruments, the use of the air above the earth, and the sea, and the water under the sea-

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level, have given rise to new problems, and law has not kept pace with these changes. States have been reluctant to make agreements in regard to their probable conduct under conditions which have yet to be tested. Such facts as these should be kept in mind when passing judgment on the acts of the belligerents during the last six months. It should also be kept in mind that in some instances the violation of international law has been frankly admitted and indemnity or reparation has been unhesitatingly promised. In such a case the promise of indemnity does not make the act less a violation of law, but makes the existence of its obligatory force unquestioned even when the so-called "higher state policy" has been followed.

When thinking at the present time of that treaty which was ratified and proclaimed almost exactly one hundred years ago (February 18, 1815) and of the hundred years of peace with Great Britain since that time, it is well to recall that even though the present is a time of a war of unparalleled magnitude, it is at the same time a period when the influence of the principles of law are more potent than a hundred years ago and indeed more potent than ever in modern times. The old maxim, *inter ar-*

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ma silent leges, no longer applies, and the doctrines which belonged with the maxim are passing away. It would be absurd to say that in the great struggle of the nations now going on there has not been disregard of international law, it would be equally absurd to attempt to give a complete justification for all the acts of one side as against the other, and it was not the purpose of these remarks to endeavor to accomplish either of these ends. It is the purpose to show that the work of the Hague conferences and the International Naval Conference was not in vain, that the principles of international law have not lost all their power, that while new conditions may have made old rules inapplicable, there has been an inclination to observe the fundamental principles, that while violations of law may have taken place, often the liability for such violations has been recognized, and that international law, far from being impotent, embodies the principles under which the most powerful nations of the world now seek to find sanction to justify their actions before the opinion of the world.

VI

THE WAR AND INTERNATIONAL COMMERCE AND FINANCE

EMORY R. JOHNSON, Ph.D., Sc.D.

The economic interests of all countries are so interrelated that a prolonged war between any two important industrial nations inevitably creates a serious disturbance of international finance and trade. The present war, which involves the larger part of Europe and also more or less directly much of Asia, Africa and Australia, has temporarily stopped a large share of the world's international exchanges, has compelled such trade as is carried on to be conducted under unprecedented conditions, and has so interfered with commerce generally as seriously to modify, at least temporarily, the commercial and industrial activity of all countries, neutral as well as belligerent. It is certain that the permanent industrial and commer-

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cial effects of the present war will much exceed those that have resulted from any previous international struggle, with the possible exception of the Napoleonic wars.

This result is to be expected, first of all, because of the unprecedented destruction of capital. If the war ends in 1915, it is estimated that the military expenditures will reach twenty billion dollars, and if, as now seems possible, the war should continue through 1916, the expenditures may reach forty or fifty billion dollars. The Government expenditures, however, represent only a part of the expenses of the war. Capital is destroyed in great quantities over large areas, production is checked, trade is reduced to a fraction of its normal proportions, and the total economic waste due to the war may be double or treble the measurable military expenditures. This wholesale destruction of capital must necessarily influence for many years to come the monetary and financial institutions of the leading countries of the world, must compel changes in international finance, must lessen the industrial output of many countries, modify the conditions of international competition, and, by means of increased prices and lessened opportunity, make

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living conditions harder for the people of Europe and for those in many other parts of the world.

To what extent and in what manner the present misfortunes of Europe will affect the international trade and domestic commerce of the United States; to what degree the United States will supplant Europe as the financial and international banking center; and in what particulars the economic position of the United States among the industrial and commercial countries of the world will be benefited, are problems to which economists and business men are giving earnest thought, with the hope of being able to read aright the horoscope of the world's economic future.

Of course no one can at the present time definitely predict how the great European War will affect the financial, commercial and industrial interests of the United States. There are too many unknown factors in the problem. It is not known how long the war will last, nor how many nations will become involved in the titanic struggle. This paper is being written just at the time Italy is joining the war. It is probable that some of the Balkan States, and possibly other countries of Europe, may yet become in-

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volved in the struggle. Indeed, it is within the realm of possibility that the United States itself may be unable to protect American national and individual rights while maintaining her position of neutrality. Assuming that the United States succeeds in remaining neutral—as every patriotic citizen most earnestly hopes will be possible—also assuming that the war will not include more nations than have already been drawn into the conflict, and assuming further that the struggle will continue for another twelve months and thus last for a period of about two years, what will probably be the effect of the war upon the economic future of the United States? In answering this general question it will be well to consider first how the war will affect the American money market and the position of the United States as a financial and banking center.

The first and most obvious effect of the wholesale destruction of capital by the European War will be a higher rate of interest. Interest rates were stiff before the beginning of the present war, the relatively high rates of interest that have prevailed during recent years being thought by experts to have been the result of the destruction of property by the series of

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wars that occurred from 1898 to 1905. The Spanish-American War is said to have cost a billion of dollars, the Russo-Japanese War another billion, and the Boer War two billion dollars. The direct expense of these three wars amounted to at least four billion dollars. The effect of the destruction of that amount of capital upon the rate of interest commanded by investment capital had not been overcome when the present war started.

It is certain that the demand for capital for at least two decades following the close of the present war will be abnormal. Had there been no war, there would have been a relatively large demand for capital in 1915-16. In several countries, particularly in the United States, times have been dull and a period of business expansion seems about to begin. To secure capital that must be obtained even at high interest rates, Europe at the close of the war will borrow from all countries that have surplus capital. American capitalists will unquestionably advance large sums to European borrowers, and American investors will be able to secure high rates of interest not only because of the necessities of European borrowers, but also on account of the opportunities for the investment

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of American capital in domestic industrial enterprises.

If the great nations now at war succeed in making peace with each other before the credit of any one of the nations collapses and thus endangers or overthrows the credit institutions of other countries, we may expect peace to be followed by an entirely abnormal inflation of credit. Indeed, all of the powers at war have made a greater use of credit than would have been deemed possible. About twelve billion dollars of war loans have already been floated or authorized. Great Britain has issued between two hundred and three hundred million dollars of paper currency redeemable in gold by the Bank of England; and the bank has agreed to make loans to the Government taking as security the Government's bonds issued in the war loans. The Bank of France has increased its note issue more than fifty per cent., and cities and towns in different parts of France have issued large quantities of paper money. Likewise, in Germany, loan banks in different parts of the empire, with the approval and aid of the Government and the Reichsbank, have put large quantities of paper money in circulation and the banks have accepted practi-

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cally all kinds of property as a basis for credit and financial assistance. The termination of the war will not bring an end to the use of government credit, provided the financial position of the several governments at the close of the war is such that further use may be made of government credit. Capital will be so greatly needed that the revival of business will depend very largely upon government assistance, and, if aid can be given, it is certain that every form of government credit that can be safely devised will be employed in aiding the revival of industry and trade.

The demand for gold will continue for some time after the close of the war, and there is much danger that the supply of gold in the United States will be reduced to an unsafe amount. Fortunately, the Federal Reserve Act has established a banking system that will probably enable the United States adequately to protect its supply of gold. It is most fortunate for the country that the banking laws of the United States were revised in 1914. The financial situation of the country would have been even better today had the banking laws been revised a year earlier.

It is the expectation of many persons that

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the financial and industrial strength of Europe will be so reduced by the present great war that New York City will be able to supersede London as the primary money center of the world. Undoubtedly, the United States will, as a result of the war, occupy a much more important position in international banking than it now holds; and it is possible that at least a part of the bills of exchange drawn in the transactions of international trade will, in the future, be in terms of the dollar instead of the sovereign, and will be drawn against New York instead of London. At the present moment, a Pan-American Financial Conference is in session in Washington, called together by the United States Secretary of the Treasury to consider how the United States may best coöperate with the other countries of the American continent to provide the funds and banking facilities required for the present and future conduct of the trade of Central and South American countries.

It will be well, however, not to expect that New York will suddenly become the world's leading financial center. As was stated by Mr. T. W. Lamont, of the firm of J. P. Morgan and Company, in a paper read April 30, 1915, before

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the American Academy of Political and Social Science:

“Many people seem to believe that New York is to supersede London as the money center of the world. In order to become the money center we must of course become the trade center of the world. That is certainly a possibility. Is it a probability? Only time can show. But my guess would be that, although subsequent to the war this country is bound to be more important financially than ever before, it will be many years before America, even with her wonderful resources, energy and success, will become the financial center of the world. Such a shifting cannot be brought about quickly, for of course to become the money center of the world we must, as I have said, become the trade center; and up to date our exports to regions other than Great Britain and Europe have been comparatively limited in amount. We must cultivate and build up new markets for our manufacturers and merchants, and all that is a matter of time.”

Mr. Lamont is unquestionably correct when he suggests that no country can become a financial center of the world unless it enters largely and widely into international trade. The fu-

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ture of the United States in international finance will depend upon the success attained by this country during the present war, and subsequent thereto, in building up its foreign commerce. What are the prospects in this regard?

The immediate effects of the war upon American commerce have been to stop all direct trade with Germany, to limit greatly the trade to neutral countries, and to render difficult and dangerous all intercourse with the Allies. The foreign trade of the United States in numerous commodities has been greatly limited in quantity and trade as a whole is being carried on very expensively on account of the high freight and insurance rates. Certain articles such as foods and military supplies are being exported in greatly increased volume. The effect of the war upon imports has been greater than upon exports.

At the close of every important war that has interrupted trade and interfered with the industrial activities of two or more producing countries, there is a sudden expansion of commerce, due to the effort of producers to dispose of accumulated stocks, and to the desire of buyers to secure materials with which to renew production, and also because of the extraordi-

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nary effort which everybody makes to recoup the losses suffered during and in consequence of the war.

It is certain that European purchases from the United States will be large for the first year or two following the declaration of peace. Necessarily, those purchases will be made, for the most part, upon credit; and European buyers will make use of their credit to the fullest extent in order to secure the materials and supplies required to renew industry upon as large a scale as capital and labor conditions will permit. After having made these large purchases immediately following the war, all producers in Europe will necessarily be obliged to buy with unusual caution and to limit purchases to the smallest possible proportions. Instead of buying freely, the European producers will endeavor to sell the products which they have manufactured during the first year or two in order to pay off their debts and to secure capital for further industrial activities.

Thus immediately following the war the exports from the United States to Europe will be large, and this period of heavy exports will be followed by large imports into this country accompanied by a restricted export trade. Ameri-

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can industries, having been stimulated to unusual activity immediately following the war, will probably experience a severe check two or three years after the war; and, if a panic is avoided, it will be due to the foresight and business restraint of American manufacturers, particularly the large business organizations that control a relatively large share of the output of staple industries. Every great war of the last century has been followed by a period of feverish business activity which has, within a few years, been succeeded by a business depression of greater or less severity. It remains to be seen whether the lessons of history have been well enough learned by the captains of American industry to enable them to prevent the repetition of what has happened after previous wars.

South America, Africa and Oriental countries are, at the present time, unable to secure from Europe many of the articles which they have regularly purchased from European exporters. Likewise, the European market for many South American, African and Oriental goods is greatly restricted. The conditions seem extraordinarily favorable for the rapid expansion of the foreign trade in the United States. If

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the war continues through 1916, American producers ought to secure a portion of the markets that have previously been supplied from Europe. It was expected when the war broke out that there would immediately be a large increase in the trade of the United States with South America. The expectation, however, was not realized, because the purchasing power of South American countries was greatly reduced. The banking and commercial connections of South American countries having been mainly with Europe, the European War almost paralyzed South American trade and industry. Banking and credit institutions in South American countries were unable to be of assistance to producers and traders, and even now, nearly a year after the opening of the war, financial conditions in South America are still unsettled. The United States is now beginning to secure part of the South American trade that was formerly carried on with Europe. Great Britain, however, is holding most of her South American commerce, and, without doubt, Germany will be able to resume her South American trade without very great difficulty at the close of the war.

It will be an advantage to the United States

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to be in possession of a part of the commercial field formerly occupied by European producers and traders, but it would be a mistake to expect the United States to be able to hold all the new trade that will have been diverted to her from European producers while the war was in progress. While European manufacturers may not be able to regain all the ground they have lost, they will, within a comparatively few years, recover most of the trade that has been taken from them. There are several reasons why this is to be expected.

The commerce of the United States with South America or with other parts of the world depends, first of all, upon the amount of capital invested in foreign countries. Up to the present time, the industries of South America, Africa and the Orient have been developed mainly by British and German capital. The people of Belgium, Holland, and some other European countries have also invested largely in various parts of the world. Trade follows capital into foreign lands. As far as can be learned, British and German capitalists are retaining their South American investments, with the confident expectation of engaging actively in the industries and trade of South American countries

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as soon as the war is ended. If American traders compete in the future successfully and largely with European producers and traders in South American countries, it will be in consequence of a greater investment of American capital than has thus far been made in South America. What is the prospect that such investments will be made?

There are definite indications that American investors are looking with increased favor upon investments abroad. It is stated that seven hundred millions of American capital have been put into Canadian industries other than agriculture, that a half a billion dollars have been invested in Mexico, Central America, Cuba, Haiti, Chile and Peru. The amounts that have been invested in other Latin American countries cannot be stated, but they are a considerable sum. Since the war began, Argentina has taken an unusual amount of American capital in the form of merchandise, for which payment has been made, in part, by treasury notes of the Argentine Government sold in this country.

It is easier for any country to secure trade abroad when its citizens reside in the foreign country with which the trade is carried on.

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Great Britain and Germany, notably, have built up their trade in South America, Africa, and the Orient very largely because British and German subjects reside in large numbers in foreign countries. It has not yet become the practice of American citizens to reside abroad in any considerable numbers. Industrial opportunities at home have, until recently, been more alluring than the possibilities of securing wealth abroad. In all probability, the time has come when increasing numbers of persons born and educated in the United States, will, for business and other reasons, make their residence in South America, Africa, and the Orient, and this will unquestionably prove to be of assistance to the United States in holding and developing the foreign trade obtained during the period of the war.

A former handicap upon the development of the foreign trade of the United States has been remedied by Sections 13, 14 and 25 of the Federal Reserve Act. Now, for the first time, it is possible for an American bank chartered under the National Banking Act, to establish and maintain branches in foreign countries. Section 25 of the Federal Reserve Act provides that "any national banking association possess-

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ing a capital and surplus of \$1,000,000 or more" may, with the approval of the Federal Reserve Board, establish "branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States." This provision of the act has already been made use of. The National City Bank of New York has established branches at Buenos Aires in the Argentine Republic, and in Rio de Janeiro and Santos in Brazil. Permission has been given that institution to establish a West Indian branch with a main office at Havana and with several sub-branches at various points in Cuba, Jamaica and Santo Domingo. The authority to open a branch bank at Rio de Janeiro also included the right to operate sub-branches at several points in Brazil. In all probability, other American banks interested in foreign trade will establish branches in different parts of the world.

Section 13 of the Federal Reserve Act provides that "any member bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation or exportation of goods having not more than six months sight to run." Banks may accept foreign bills of exchange to an amount equal to

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one-half of their paid-up capital stock and surplus. This makes it possible for American banks to rediscount acceptances based upon imported and exported goods, and opens a new field in which to conduct business, while enabling banks in this country to be of great assistance in the future development of American foreign trade. The banking prerequisites of the development of a larger trade between the United States and South America seem now to have been met. As the trade increases it will be possible to afford merchants and manufacturers the necessary international banking facilities.

The fact that the relatively small volume of commerce that has been carried on between the United States and most South American countries up to the present time has been transported, for the most part, in foreign ships, and that there has been no marked tendency to establish American steamship lines for operation between the ports of the United States and countries of South America, has caused many students of commerce to argue that the future development of the trade of the United States with American countries to the south, will depend upon provision being made, either by the

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Government or by private capital, for a large increase in transportation facilities. Undoubtedly, regular and adequate steamship services from American ports to South American countries would make the development of commerce easier, and tend to diversify as well as to extend the trade between North and South American countries. It should be remembered, however, that steamship lines and other transportation agencies are merely trade facilities which capital will provide whenever it becomes evident that profit can be secured by establishing and maintaining such facilities.

Trade development depends primarily upon the existence or non-existence of favorable industrial, financial and mercantile conditions. Without doubt, production is carried on within the United States so economically that American producers of many kinds of articles can compete successfully with manufacturers in other countries; and, as has been pointed out in this paper, it seems probable that the international banking facilities needed in carrying on a larger trade between North and South America are about to be provided. There remains, however, for American manufacturers and traders to develop the merchandising meth-

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ods by means of which European merchants have secured the major share of the foreign trade of South American countries. For some reason, American producers and merchants are not as successful traders as are the merchants of Great Britain and Germany. The normal attitude of the American manufacturer is that the superiority of his goods will guarantee their popularity with foreign buyers; he feels it is necessary only to call the foreigner's attention to the character of American goods and to the opportunity the foreigner has to secure goods in the United States. The British, and particularly the German, merchants, on the contrary, have actively solicited the trade of the South American buyers, and have sought to adapt European goods and European merchandising methods to the needs and customs of South American producers. These generalizations apply broadly, and, as in the case of all general rules, there are exceptions. There are, indeed, evidences of the development of better merchandising methods on the part of American producers and exporters.

The least difficult facility to secure in the development of foreign trade is transportation. The world over, ships are seeking cargo and,

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except when temporarily prevented by a war between commercial nations, shipping facilities can be secured in proportion to the needs of trade. If American financiers and manufacturers succeed in developing a larger South American trade, that trade will promptly call into being adequate shipping facilities. It will not be necessary for the United States, even temporarily, to engage in the steamship business, although the Government should do whatever it can to remove the obstacles to the investment of private capital in the business of ocean transportation. The function of the Government is to create such trade conditions as will enable bankers, manufacturers and merchants profitably to engage in international trade. When trade can be carried on profitably on a large scale, shipowners will be quick to supply the requisite transportation facilities.

In this connection, it is important to consider what the effect of the present war will be upon the supply of shipping and upon ocean freight rates. A large tonnage of merchant shipping has already been destroyed, and submarines are almost daily sinking one or more vessels. Efforts are being made by the United States to bring about some limitation upon the destruc-

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tive methods of submarine warfare, but it remains to be seen whether a check will be put upon the unprecedented destruction of ocean shipping. What will be the total loss of merchant shipping during the war cannot be foretold; but, although the loss will be large, the percentage of the world's total shipping that is destroyed may not be greater than the percentage representing the decrease in the volume of international trade that will result from the destruction of capital during the war and from the reduced industrial output during the years of reconstruction of industry following the war.

As soon as the war closes there will be restored to the merchant marine a large tonnage of vessels that have been requisitioned for transport services and for other naval uses. It should be remembered that Germany's large merchant marine will probably not be much reduced by the war, and that some of the neutral countries, including the United States, will have a larger tonnage of merchant shipping at the close of the war than they had at the beginning. After the first few months have elapsed, following the close of hostilities, the supply of ocean shipping may be quite equal to the needs of commerce. If so, ocean freight rates will be reason-

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able and may even be relatively low. Should the revival of business at the close of the war be, as some persons fear it will be, so active and unrestrained as to lead to overproduction and overtrading on the part of such countries as can command the capital for industrial development, and should this boom period be followed by a severe panic within two or three years after the end of the war, there will be a superabundance of ocean shipping during the years of business depression and freight rates on the ocean will be unprofitably low.

The probable effect of the war upon immigration into the United States is a subject of great importance. While the war lasts immigration will be practically at a standstill, because most of the immigrants come from the countries now at war with each other. Will the close of hostilities be followed by a rush of immigrants to this country, or will the higher wages in Europe and the reduction which the war has made in the number of laborers in Europe reduce the volume of immigration to the United States?

Every important European war during the past one hundred years has been followed by an increase in immigration into the United States. After the close of the long Napoleonic wars

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there was a marked rise in the tide of emigration, and the same was true of the years following the European revolution of 1848. The Franco-Prussian War also stimulated emigration to the United States. It is the opinion of Dr. Frank J. Warne, who is a recognized authority upon immigration questions, that the present destructive war will greatly reduce the economic opportunities of the working classes of Europe; that extremely burdensome taxes will necessarily be levied by all governments to pay interest upon the debts created during the war, and that economic distress will be inevitable and severe. Dr. Warne believes that economic conditions in the United States will be the opposite of those in Europe, and that the prosperous times in this country will induce great numbers of European families to seek by emigration to escape from the unfortunate conditions that will prevail in Europe. This tendency to emigrate will, moreover, be strengthened by the active solicitation of steerage passengers that will be carried on by numerous steamship lines. All of the transatlantic passenger lines will be eager to make up for the losses sustained because of the suspension of passenger traffic during the war.

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This forecast as to the effect of the war upon immigration into the United States from Europe will prove to be correct, provided the war lasts as long as two years. If the struggle is continued for that length of time, the destruction of capital and the paralysis of industry will be so great as to make it difficult, if not impossible, for European industries to regain their normal activities until some years after the close of the war. If the war should come to an end in 1915, it may be that the industrial opportunities in Europe will not be so lessened as to make it necessary for the laboring classes of Europe to seek a livelihood by emigration to the United States. It should be remembered, moreover, that the patriotic impulses of the masses of people of every country have been aroused and strengthened, and men may have a sentimental desire to remain in their native land and help work out its future prosperity.

Should the war, as many persons expect, result in making the governments of continental Europe more democratic in form and ideals, the tendency to emigrate may be lessened; but it is doubtful whether emigration has much connection with government institutions, although it is often claimed that people have left Europe

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for the United States to escape the oppression of monarchical government, and to obtain the liberties that may be secured under republican institutions. It is probable that most people have come to this country because the economic opportunities here were greater than in their native land. Political persecution has unquestionably driven many people from Europe to the United States, but the number that have come to this country for that reason is small in comparison with those that have been attracted here by the possibility of securing a better livelihood.

It now seems probable that the European War will last for two years. If it is prolonged to the end of 1916 there doubtless will be a large exodus to the United States of immigrants from Austria-Hungary, Poland, southwest Russia, the Balkan States and Italy, which are the sections of Europe that are suffering severely from the war and are the regions from which immigrants to this country come in large numbers. The possibility that the war will be followed by a rise in the arrivals in the United States of large numbers of immigrants from southeastern Europe makes it important that measures should be taken by the United States

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Government to prevent undesirable persons from coming into the country. Such a widespread and disastrous war as that now in progress in Europe is certainly to be followed by a great increase in disease, poverty and crime. Unless the immigration laws of the United States are strictly administered, the people of this country will have to support a largely increased population of paupers and criminals. It will be the duty of the United States Government to provide for the strict enforcement of the immigration laws.

This brief analysis of the probable economic effects of the European War upon the United States has naturally been devoted mainly to questions of international banking and finance, of foreign trade and ocean shipping, and of immigration. The changes in the international economic relations of the United States promise to be important, permanent and, for the most part, advantageous. If future experience corresponds with present promise, the internal development as well as the foreign commerce of the country will be quickened.

A large and wider foreign trade means a greater volume and variety of production, an increase in the quantity and range of imports,

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a diversification of industry and commerce, and a broadening of the foundations of American economic interests. This means greater economic stability, the ability to endure more easily the recurring ills of business depression, and to pursue a more conservative course through the periods of abnormal prosperity.

During the last twenty-five years the United States has been changing from a country devoted almost entirely to the production of foods and the materials of industry to a country having diversified industries in which manufactures occupy a prominent position. The exportation of manufactured goods is increasing in quantity, and foreign markets are being found for a greater variety of articles. The present terrible war in Europe will accelerate the economic changes now in progress in the United States. Manufacturing and trade will increase more rapidly and, in consequence, the growth of cities will be faster. With the more rapid growth of manufactures and foreign commerce and of the population of the cities, will come consequent changes in social conditions. The social ideals of rural and village life that have hitherto been so influential in this country will, because of the more rapid development of manufacturing and

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commerce, give way even more rapidly than they are now giving way to the ideals of people who work in large establishments and live in large cities. The European War will change the economic activities and modify social conditions in the United States.

VII

THE CONDUCT OF MILITARY AND NAVAL WARFARE

CASPAR F. GOODRICH

I am sorry that the President's stringent order on the subject forbids my discussing the events of the present struggle in Europe with entire freedom. You can readily see that to do so might reveal a bias which would violate the neutrality in speech and writing which our Chief Magistrate enjoins. Nevertheless, without transgressing that order it is possible to analyze certain features and to draw certain conclusions of technical interest, for this war is as full of lessons as it is of surprises. To call attention to them may be done, and I hope I shall succeed in so doing, with complete impartiality of statement, if not of sympathy, and in strict accordance with my Commander-in-Chief's injunction.

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The first thing that strikes the eye is the total wreck of preconceived notions. The long range of modern arms was expected to push back the fighting line almost, if not quite, out of sight of the enemy. To be sure the opposing forces had come into personal contact in the late Balkan wars but this was attributed to local conditions not likely to find their counterpart in hostilities between first-class powers. That Germans and Frenchmen should spend whole months in trenches but a few yards apart, should burrow like rabbits and settle the possession of disputed ground by the bayonet or even the fist was inconceivable—yet all know that was the way the trick was turned again and again. Conversely on the sea, the old time desire to get close aboard the enemy may have been, doubtless was, present, but the actions off Coroner, off the Falkland Islands, and in the North Sea were decided at ranges that seem fabulous. One shell which landed on the *Bluecher* from a distance of eighteen thousand yards—about nine geographical miles—is thought by its damage to life and vessel to have been, possibly, the one most important factor in the destruction of that ship.

The greater range of the newest guns has also

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proved decisive on shore in bombardments that recur to you all. The surprise, however, lies in the unsuspected existence of such guns and not in their efficacy. To have kept the forty-two-centimeter howitzer a profound secret for so long was in itself a triumph which, I fear, our more open methods would have rendered impossible in this country.

Speed in men-of-war, a quality advocated for years by one school of naval thought and as strongly opposed, at least in battleships, by another school, seems to have practically demonstrated its value in cruisers, destroyers and submarines, as to which application there never has been much controversy. Should the German and British battle fleets ever engage, the desirability of increasing speed at the expense of armor will be proved or disproved as the case may be. No more pressing question from the naval architect's standpoint can be imagined. It is saddening, however, to reflect on the price in human life which its solution will exact.

Another surprise has been the extensive and efficient use, by the Germans, of machine guns of a novel type. Instead of the mitrailleuses and Nordenfeldts which required horse traction and were but another form of artillery these

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new weapons can be and are carried by one man. In destructive effect on troops the Allies rank them as second only to shrapnel and ahead of the rifle, and surely the Allies know. The result is seen in a radical change in tactics. Formerly artillery prepared the way for the infantry attack. Today it is the machine gun which is pushed to the front, infantry being used to cover and support its approach.

The appearance on the scene of wholly new inventions like the motor lorry, the aeroplane and the submarine has changed conditions entirely and wrought unforeseen modifications in tactics. It is said that the German advance on Paris was stayed through the sudden bringing up of heavy reënforcements from that city in taxi-cabs and automobiles, some forty thousand cars in all. Shades of Napoleon! Without motor trucks and motor ambulances the men in the field would, many times, have gone hungry and the wounded without that prompt care which so often makes the difference between life and death. We may reflect with pride upon the admitted superiority of our American Red Cross automobile hospitals. Piou-Piou and Tommy Atkins equally rejoice when, if wounded, they fall into our hands.

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Gasoline has also made possible the armored motor car of whose exploits frequent mention is made. Armored trains were first used in the Tel-el Kebir campaign—but their use was and still is confined to railways. A fairly good road, however, now permits the employment of their more mobile and extremely effective successor. Even heavy guns up to eleven inches in caliber are moved by motors, the wheels being of the caterpillar type and thus capable of advance over poor roadbeds.

To gasoline is due the flying machine which as a scout renders sudden concentrations of troops quite out of the question. Very spectacular have been some of its performances in raids and bomb-throwing. Doubts may be entertained, however, of the real military value of such operations.

Great things were expected of the Zeppelins but, up to the present moment, these expectations do not appear to have been fully realized. Damage they have done, but nothing commensurate with the hopes of their advocates. In short, their tactical value has yet to be proved. They are quite unmanageable in heavy weather, a circumstance which doubtless has limited their use this winter. With the advent of spring and

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summer, when gales are few and breezes light, we shall learn more of their actual performance under favoring conditions.

The true history of the submarine cannot be written until the war is over and all the facts made public. Upon them was based the war zone just proclaimed by Germany. Its efficiency, it is thought by the Germans, will be conclusive. As to this time alone will tell. That the German submarines have been very active and aggressive is certainly true but on good authority it is said that a large number of them have already been destroyed. They seem to be as vulnerable as they are formidable.

Monitors and other light-draught vessels have been used along the Belgian coast to help stem the German advance on Calais. Nothing new in this. Our Civil War abounds in instances of effective coöperation between armies on shore and gunboats on the water.

Wireless telegraphy is another recent invention to exercise a notable influence on the development of this war. It is omnipresent, being found with troops or carried by men-of-war, by torpedo boats, by air ships and even by submarines, which doubtless owe much of their efficiency to this invisible means of control. We

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may indeed say that it is present with every military or naval unit, however small. Its value was so clearly understood by the Germans that, in making ready for hostilities, they established radio stations pretty much all over the world. It was through such stations that they were able to collect their scattered vessels into the squadron which sank the *Good Hope* and *Monmouth* off the Chilean coast last December.

But a few years old, wireless telegraphy has so completely won its place in military and naval equipments, that today it is impossible to imagine a general or an admiral conducting a campaign without the hourly use of this marvelous abridger of time and space.

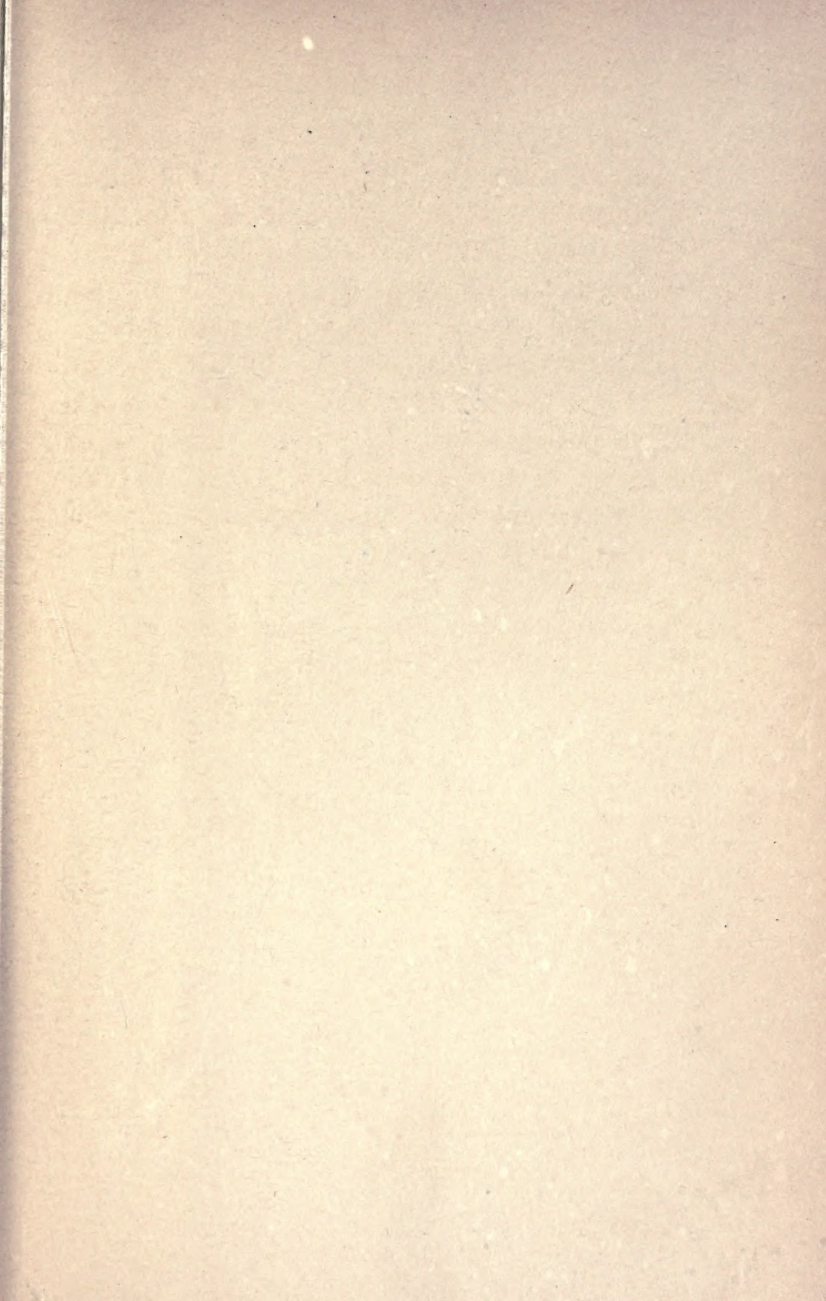
I have sought, within the limitations imposed on me by the President's order, to indicate a few of the changes brought about in the technique of warfare. They are most important and they convey useful hints even to us.

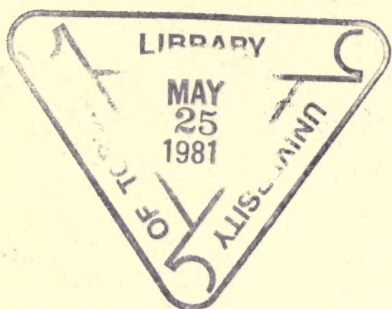
A similar search in the domain of strategy remains fruitless. The same rules are observed which governed the campaigns on land of Frederick the Great and Napoleon and on the sea those of Hawke and Nelson. Astounding as are the differences between the tactics of the present and the past, still more astounding is the

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changelessness of that other side of war—strategy. What the latter was it ever will be. The tactical instruments by which it works may vary as they will but its principles are always the same. Upon them we may rely with absolute confidence. If you hold to them firmly you will be able, through careful study, to see into the future as far as it may be given to mortal man; possibly even to forecast the eventual outcome of this gigantic struggle. And this study I commend to you as well worth the time and trouble it may cost.

These, then, as I see them, are the chief lessons of the War in Europe, the protean changes in tactics and the immutability of strategy.





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Problems of readjustment
after the war

